

2820. Also, petition of the Crawford County Farm Bureau of Illinois, indorsing the McNary-Haugen bill; to the Committee on Agriculture.

2821. Also, petition of the executive committee of the Clinton County Farm Bureau, Ill., favoring the passage of the McNary-Haugen bill; to the Committee on Agriculture.

2822. By Mr. CRAMTON: Petition of the Romeo Monday Club, protesting against the drainage of the Winneshiek bottom lands along the upper Mississippi; to the Committee on Agriculture.

2823. By Mr. GARBER: Petition of Chamber of Commerce, Fairview, Okla., urging that sufficient appropriations will be made by Congress to carry out the provisions of the national defense act of 1920; to the Committee on Ways and Means.

2824. By Mr. KIESS: Petition of citizens of Tioga, Pa., opposing any bill proposing a modification of the existing prohibition law; to the Committee on the Judiciary.

2825. By Mr. KINDRED: Petition of board of aldermen, city of New York, N. Y., indorsing congressional bill for increase in salaries of postal employees; to the Committee on the Post Office and Post Roads.

2826. By Mr. KVALE: Petition of S. R. Simonson and 222 other residents of Benson, Swift County, Minn., urging Congress to protect eggs as a source of farm income by an adequate tariff; to the Committee on Ways and Means.

2827. By Mr. MOORE of Illinois: Petition of the La Grange Chapter of the Izaak Walton League of America, indorsing bill for the conservation of the upper Mississippi known as the game refuge bill; to the Committee on Agriculture.

2828. By Mr. MORROW: Petition of Dona Ana County Federation of Women's Clubs, Mrs. Thomas Branigan, president, Las Cruces, N. Mex., favoring results obtained by the special commission on narcotics, recommending that conference be held in England; to the Committee on Foreign Affairs.

2829. By Mr. RAKER: Petition of W. D. Allen Manufacturing Co., Chicago, Ill., opposing passage of Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2830. Also, petition of L. D. Pike, commander Glendale Camp, No. 67, United States War Veterans, indorsing passage of Bursum pension bill over President's veto; to the Committee on Invalid Pensions.

2831. Also, five letters from residents of Tacoma, Wash., in re bill to change the name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2832. Also, petitions of A. Goodman, secretary Golden Gate Brass Manufacturing Co., Los Angeles, Calif., and Hans Barkan, M. D., San Francisco, Calif., indorsing San Carlos Dam bill (S. 966); and Wm. A. Brunnette, president White Earth Reservation, Mahanomen, Minn., opposing passage of bill giving \$50 per capita payment to the Red Lake Indians only; to the Committee on Indian Affairs.

2833. Also, petition of Robert D. McCrimmon, Tacoma, Wash., and Fred L. Arndt, Groveland, Calif., in re bill to change name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2834. Also, 35 letters and telegrams in regard to the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

SENATE

WEDNESDAY, May 21, 1924

(Legislative day of Tuesday, May 20, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. HOWELL. Mr. President, it has been suggested to me that it might be well to have a quorum.

Mr. EDGE. Will the Senator withhold that just a moment?

Mr. HOWELL. Certainly.

Mr. EDGE. The pending question is the motion made by myself that Senate bill 1898 shall be made the unfinished business. If the Senator will yield for the purpose, I shall appreciate it very much, that the motion may be put so the matter can be settled; and I shall then yield to the Senator from Nebraska, of course.

The PRESIDENT pro tempore. Does the Senator from Nebraska yield for that purpose?

Mr. HOWELL. I yield.

Mr. FLETCHER. I think we had better have a quorum. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	Ladd	Shields
Ashurst	Ferris	Lenroot	Shipstead
Ball	Fletcher	Lodge	Shortridge
Bayard	Frazier	McKinley	Simmons
Borah	George	McLean	Smith
Brandegee	Gerry	McNary	Smoot
Broussard	Glass	Mayfield	Spencer
Bursum	Gooding	Moses	Stanfield
Cameron	Hale	Neely	Stephens
Capper	Harrell	Norbeck	Sterling
Caraway	Harris	Norris	Swanson
Colt	Harrison	Oddie	Trammell
Copeland	Hefflin	Overman	Underwood
Cummins	Howell	Pepper	Wadsworth
Curtis	Johnson, Calif.	Pittman	Walsh, Mass.
Dale	Johnson, Minn.	Railston	Walsh, Mont.
Dial	Jones, N. Mex.	Ransdell	Warren
Edge	Kendrick	Reed, Pa.	
Edwards	Keyes	Robinson	
	King	Sheppard	

Mr. CURTIS. I was requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], and the Senator from Montana [Mr. WHEELER] are attending a meeting of a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-seven Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 30, 31, 44, 45, 55, and 59 to the aforesaid bill; and that the House receded from its disagreement to the amendments of the Senate numbered 8, 25, 28, 40, 43, 48, 50, 51, 52, 53, 54, and 60, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 8905) to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America, and it was thereupon signed by the President pro tempore.

POSTMASTERS AND POSTAL EMPLOYEES

The PRESIDENT pro tempore. The question is on the motion made by the Senator from New Jersey [Mr. EDGE] that the Senate shall proceed to the consideration of Senate bill 1898.

Mr. HOWELL. Mr. President, I have the floor, have I not?

The PRESIDENT pro tempore. But the Senator from Nebraska yielded to the Senator from New Jersey to allow the Chair to put the motion that has just been stated by the Chair.

Mr. HOWELL. Very well; let the motion be put.

Mr. UNDERWOOD. Mr. President, will the Senator from New Jersey yield to enable me to introduce a bill?

Mr. EDGE. I hardly feel, under the arrangement entered into with the Senator from Nebraska, that I really have a right to yield. It is through his courtesy that I have been able to ask for a vote on my motion, which will only take a moment. Then I am quite sure the Senator from Nebraska will yield to the Senator from Alabama.

Mr. UNDERWOOD. Very well.

The PRESIDENT pro tempore. The question is on the motion of the Senator from New Jersey.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service, which had been reported from the Committee on Post Office and Post Roads with an amendment in the nature of a substitute.

THE FARMERS' PROBLEMS—ADDRESS BY SENATOR LADD

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered on the 3d instant by my colleague, the senior Senator from North Dakota [Mr. LADD], on "The Farmers' Problems," before the Political Study Club, in the city of Washington.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the address will be printed accordingly.

The address is as follows:

Ladies of the Political Study Club: Any complete understanding of the farmers' problems or of the farmers' place in modern society involves a far more comprehensive study than is possible in the hour at our disposal. Only a few of the most important angles of the subject can be more than briefly indicated.

Organized society originated in the more or less permanent settlement of nomadic pastoral families at places where soil and climate, with volunteer and rudely cultivated crops, offered abundant pasture for cattle and ample food for man. Civilization began when the solitary human animal abandoned the venatic or hunting stage for the nomadic, pastoral stage. Families and tribes were nomadic, wandering groups, which moved with the seasons and according to the need and supply of pasturage for flocks and herds, which furnished their food and clothing.

It was a great step in advance when these wandering people became sedentary—forming permanent settlements and increasing the supply and variety of food even by a primitive cultivation of the soil.

As population increased and flocks and herds enlarged these settlements became the objects of plunder by predatory and unsettled tribes. This made every member of the settled tribes a warrior, subject to call at any moment for the defense of his tribe and its property.

At this stage of social development came the first great division of labor. Special aptitudes indicated those individuals best qualified to be the fighting members. These, the warriors of the tribe, or groups of tribes, called clans, enjoyed certain privileges and special advantages. They were largely exempt from other than warrior services; their families were supported by the labor of the group; their privileges became hereditary. From among them chiefs, kings, and aristocracy developed. With further increase in populations a fiercer competition for locations led to larger apportionment of tribal wealth to the support of its warrior establishment and the fortification of towns and cities.

Increasing demands for greater variety of goods led to further division of labor, still further enlarging the burden of social support on the food-producing farmer; that is, leaving the farmer a still smaller share of the products of his labor, but with no increase of his facilities, while adding to his labors.

As we follow the course of agriculture down to Homeric and Mosaic times we find firmly established a system of agricultural production in which, in the most highly civilized countries—Egypt, Mesopotamia, Greece, and India—the land belonged to an aristocracy of overlords, while farm labor was performed by slaves. A rigid caste system prevailed—an arrogant priesthood shared with monarch and military overlord all the wealth produced by agriculture except a bare subsistence.

ROME'S RISE AND FALL

About the middle of the fifth century B. C. the Romans occupied a territory about 20 miles square. There were not more than 150,000 people who lived on this land. Most of the families had small holdings, where father and sons lived and worked together, growing wheat, for the most part, with a patch of vines or olive trees. Most of their tools and clothing were made at home. Even the patricians were peasants, farming and working with pick and plow. These families were free. They owned their land, and the noblest families were farmers. Roman history relates the account of Cincinnatus and the plow. The proprietor worked his own fields and tended his land and stock as faithfully as any of his less wealthy neighbors.

Yet with the growth of Roman power and the extension of Roman dominion the status of the free farmer was changed from freedom to serfdom.

Roman wars were essentially slave-hunting expeditions, with land grants to a corrupt senatorial oligarchy and slaves selling at from \$8 to \$50 a head. The free farmer soon vanished. He became a slave himself with his family, or drifted into the city to become submerged in the cloaca-ferentia that was Rome. From the second century A. D. to the beginning of the twelfth there was a transformation of social order in Europe that is without parallel in history. The entire framework of society broke down. Population dwindled, commerce, arts, wealth, and freedom vanished. The people were reduced by poverty and misery to the most degraded conditions of slavery and serfdom. Regardless of various explanations that have been given of this phenomenon, it marks the lowest ebb in the tides of social progress. In all the recessions from social well-being to social degradation it is the farmer who first feels the shock of approaching depression, and he is the last to feel impulse of a revival of activity and progress.

FROM CHARLEMAGNE TO NAPOLEON

The status of the farmer, the food producer of the state, was fixed for centuries by the feudalism established by Charlemagne in the eighth century. Feudalism lasted in Continental Europe until destroyed by the armies of Napoleon. Chattel slavery existed in France at the time of the revolution, and the church was the last slave owner to emancipate its slaves.

History repeats itself. Agricultural development, as related to the industry as a whole and as to individual farmers in America, is following the course outlined from the beginning in other lands and other times. First a freeman, a citizen, economically independent; the pioneer, the adventurer who enters upon and tames the outlying lands; subdues the continent, and breeds the men who fight the battles of his country and direct its early policies. By whatever means the result is brought about, under any form of government the same tendencies are found in operation to reduce the farmer to an inferior economic and social position. The Sudra in India is the Helot in Greece, the peon in Spanish America, the serf in Russia, the tenant farmer in our own country. Even our small capitalistic farmer feels the effect of forces operating in the social body to fulfill the predictions of our early statesmen.

On August 7, 1787, Mr. Madison, speaking to the suffrage provision of the proposed Constitution, in the Constitutional Convention, said:

"In future times a great majority of the people will not only be without land but any other sort of property."

And he goes on to say what may be the result—

"These will either combine under the influence of their common situation—in which case the rights of property and the public liberty will not be secure in their hands—or what is more probable, they will become the tools of opulence and ambition, in which case there will be an equal danger on another side."

On the same day Gouverneur Morris said:

"The time is not distant when the country will abound with mechanics and manufacturers who will receive their bread from their employers." "Nine-tenths of the people are at present freeholders."

The time predicted by Madison and Morris has come much sooner, probably, than was believed possible by these far-sighted statesmen; the time predicted by Macaulay when the free land of America has been exhausted or absorbed and the real test of democracy in America be applied. As always, the acceptance of the régime of civil society by the farmer and laborer is not the result of any free choice on his part, but the effect of his condition of practical penury, brought about by the absorption of opportunity—i. e., free land—which forces him to accept the economic and political domination of the proprietor class. The first, then, the primary, factor in the farmer's problem is the question of access to lands. Even under existing conditions when the farmer buys land he only buys a job, pays for the opportunity to work, pays for the right to produce wealth for other people to use. Before, however, enlarging upon this feature, I want to call attention to the contributions made by American farmers to the American people in other ways than by following his avocation.

FREEDOM AND THE FARMER

Emerson has recorded in imperishable verse how "the embattled farmers stood by the rude arch that spanned the flood, to fire the shot heard round the world." In the rush and clamor of a materialistic age we lose sight of the moral consistency of the farmers who gave life and being to the Republic, for without them the Republic could not have been. The warrior service of the farmer of those far-off colonial days must not be forgotten when we reckon up his account. Again, fourscore years later, it was the American farmer, then, as now, the largest, single group in industry, who led the agitation to abolish chattel slavery in America. Think for a moment of the position of free men engaged in agriculture with half the country operating farms by slave labor! Neither capital nor labor devoted to agriculture could possibly compete with a system operated by unpaid labor. Either unpaid labor must be raised to the economic level of paid labor or paid free labor must sink to the level of unpaid slave labor.

Again the issue came at a time before there were continental railways. The only economic outlet for the products of agriculture from the vast areas of the Northwest was by way of the great rivers, the Ohio, Mississippi, and the Missouri. All these streams found their way to the ocean highways of the world through the heart of slave labor territory, and would thereby be subject to the exactions and impositions of a foreign state. It was Lincoln's happy phrase, "the Mississippi flows unvexed to the sea." It was no purely philanthropic spirit that led the farmers of the Nation to take up the sword when all compromise had failed to free themselves from the economic tyranny of a slave oligarchy; to free themselves they were obliged to make others free as well. And this has always been the spirit of the farmer at every stage of his development; from the time when the first mechanic murdered the first farmer in the Garden of Eden.

LAND, OPPORTUNITY, FOOD

Reverting to the first factor of the farmer's problems—access to land—we realize that land is opportunity. All wealth is the product of labor as applied to opportunity. If opportunity is free, the cost of wealth to the consumer is the cost of the farmer's labor only—the consumer pays only the wages of the farmer. If, however, the farmer must pay for the privilege of producing wealth, the cost of his opportunity must be added to the price the consumer pays for the farmer's

products. That is one reason, although not the only one, for the high cost of living. A glance at the records will show the steady advance in the market price of lands during our life as a Nation, namely, the farmer's opportunity.

Another factor of the farmer's problem lies in the discrimination against the farmer in the distribution of the burdens and benefits of civil government.

SPECIAL PRIVILEGE FOR WHOM?

From an early period in our history as a Nation, even before, while we still were 13 ununited States, we adopted a policy of granting special privileges to manufacturers of commodities necessary to a civilized life. Massachusetts erected tariff walls against other States. Connecticut, Rhode Island, New Jersey, New York—others did the same.

The theory was that with abundant national resources and intelligent labor it would be unwise to permit other nations, particularly Great Britain, to possess the American market, sending raw materials and coin to England as payment. Also, that by giving American manufacturers power to monopolize our market domestic competition would bring about such reduced prices that imports would be unprofitable and therefore impossible, when our infant industries would be able to stand alone. It is a cardinal principle of the political party with which I affiliate that protection, wisely gauged so as to avoid creating monopolies and to develop all the Nation's resources, is undoubtedly a great advantage in preventing the leveling of labor the world over. Unfortunately, for the success of this theory, the laws of competition were set aside by the selfish, avaricious beneficiaries of the tariff system through combinations, price fixing between them, market zones, division of market territory, pools; numerous effective devices were adopted to the same end.

THE FARMER PENALIZED

The tariff system has operated at the expense of the farmer. While he was being told that the system was building up the home market for his produce, the price for his produce in his home market was fixed in a foreign market where he has to sell all his surplus in competition with all the world. The price for the bulk of all produce is always fixed by the price of the surplus. Everything the farmer buys he buys in a protected market and pays, as a rule, all the traffic will bear. If the drawback provision of the present tariff law which was inserted at the instance of the large milling combinations of the country were repealed, the farmers of the spring wheat region would no doubt reap the benefit of the tariff on wheat, for the reason that there is usually a shortage of the hard spring wheat which the millers must have to mix with the softer grades in order to meet the market requirements as to flour.

Another factor to be considered is trans-Atlantic shipping. We have spent 60 years trying to recover the supremacy we had in world merchant marine that was destroyed by British influence during the Civil War. We have given tariffs to ship makers at the expense of ship users. It has cost about twice as much to build ships in America, or, it is so claimed on rather doubtful evidence—as it costs to build the same ships in other countries. That is—half the cost of American ships is dead capital and can only be supported by excess rates for service. When we recall that the freight is taken out of the farmers' selling price; that his wheat and other products sell at a price that pays the freight, all of which is taken off the price he would otherwise receive, it is seen at once as a serious loss. But that is only the index of the farmer's loss. Only 5 per cent of all American commerce ever sees salt water. Of this 5 per cent, one-half consists in farmers' produce. (We are speaking here of normal times.) So that 2½ per cent of all American commerce fixes the price of 97½ per cent of all the commerce of the Nation in the products of agriculture.

THE RAILROADS DEVELOP

Another factor in the farmer's problems is that of transportation. On the 4th day of July, 1828, Charles Carroll of Carrollton, the last surviving signer of the Declaration of Independence, laid the first rail of the Baltimore & Ohio Railroad. Mr. Carroll said he considered that event second only to that of signing the Declaration of Independence, if even second to that. In a few weeks it will be 96 years ago. The story of the American railroad is an epic with all the elements of cosmic drama. Within a century the American people have developed the greatest system of railroad transportation the world has ever known, or is likely to know, under the existing dispensation.

Without noting in detail the steps by which results were obtained, it is sufficient to say that with the physical expansion of the system there was a progressive development of political and economic power that practically dictated the life of industry by railroad authorities and of courts and legislatures.

They discriminated between cities building up on the one hand and destroying on the other, to further the private interests of those in control. Every device to evade responsibility to local control was made use of to continue their abuses, until in 1887 the interstate commerce law was enacted for the express purpose of erecting a "buffer state" between the railroads and an outraged public opinion. Pending its adoption, the combined railroad interests set to work

to change the provisions of the bill, and it received the signature of the President in such form as to be practically worthless. Unjust discrimination still continues, reckless combinations are entered into, passes are issued to officials, and where it is deemed necessary, blocks of railroad stocks are bestowed in liberal quantities. In nearly every State when railroad commissions have been established they have proven to be failures. When a determined stand has been taken against encroachments of railroads by commissions, the courts have set aside the verdict of the commissions. In the leading cases decided by the Supreme Court of the Republic, the court, usually by a divided court, undertook to determine the reasonableness of legislation and assumed, under a thin disguise, the functions of an upper legislative body, which, while it could not originate legislation, could absolutely veto laws touching the use or protection of property.

It assumes that the fixing of rates is a judicial question, against the time-honored principle of all Anglo-Saxon courts; that the determination of questions of public policy is a function of the legislature and not the courts, whose only duty is to lay down a rule and not to vote on the wisdom of a policy. Not only so, but in order to decide, as in the Minnesota Rate case, the court had in effect to reverse itself and overrule the decision it had handed down in previous cases when the same issue, practically, had been presented, as in *Minna v. Illinois*.

The effect of these decisions filters down through all the Federal and State courts and becomes the law of the land.

TAKING ALL THE TRAFFIC WILL BEAR

While imposing rates for service, delicately adjusted to "all the traffic will bear," these monopolies exert their powerful influence on public officials to shift their fair share of the expenses of government. In a near-by county in Maryland, it is said, a railroad earning 8 per cent on a capitalization of \$200,000 per mile of double track has been assessed at \$7,500 per mile, while the farms it runs through are assessed at more than they would sell for, or cost their owners, at the same time that splendid crops of peaches, cantaloupes, melons, tomatoes, potatoes, cucumbers are rotting in the fields or being fed to swine because the railroads want more than these fruits would bring to haul them to market in near-by cities.

It is probable that abuses of the sovereign power delegated to the railroads of the country have done more to arouse popular resentments than any other one influence. Conspicuous, discriminations, and extortions by railroads started the granger movement in 1867. By 1877 the Supreme Court sustained the constitutionality of granger laws, only to see them repealed through the political power exerted by railroads. But the necessity for relief kept the farmers in action to curb the excesses of their principal oppressors, at that time the railroads.

FARMERS BEGIN TO ORGANIZE

This is neither the time or the place to follow the historic development of the different methods or organizations through which the farmers endeavored to protect themselves against their abuses by monopoly. Yet the grange movement was only one and the earliest expression of the farmers' awakening consciousness of his position. He found himself like the Hindoo, Sudra—at the bottom of the economic scale; there was no one below him to whom he could pass the burden. Through every economic stratum of organized society the higher was always able to shift its burden to the one next below, while the farmer stood on the ground and had to dig his living out of the earth with his own hands. He had to support with his labor the many-storied economic structure, the foundation of which rested in his own fields while its towering pinnacles glittered in the palatial stock exchange, board of trade, and the bankers' temples of Mammon.

It was as evident to the farmers of 1867 as it is to them in 1924, that the only remedy for his troubles must come through political action; therefore, organization must be developed to that end. With granger laws repealed, nullified, further organization was necessary. Independent farmers' organizations sprang up in 1873-74 in many States of the Middle West, all having the same general purpose. There were independent parties, reform, antimonopoly, farmers' parties; all the result of an ardent will to remove the causes of the injustice felt by this great group and to do this by constitutional and lawful political means.

THE FARMERS' FIGHT

Continuously since the late "sixties" there have sprung up sporadic groups of farmers animated by these principles, Farmers' Alliance, Farmers' Union, Farmers' Cooperative Unions, Equity Societies, Agricultural Wheel, Farmers and Laborers Union, Southern Alliance, Northwestern Alliance, Populist Party, People's Party, Nonpartisan League. The backbone of all these movements consisted of actual farmers, although there were large numbers of citizens of rural towns and villages in full sympathy who felt the farmers' troubles as their own. These movements are now history, yet their inspiration survives and the experience they developed has helped the farmers in dealing with the later forms of oppression. While the farmers' present problems still include the problems of the past, there are new problems

that are but slightly and indirectly felt by those who are not farmers; these grow out of conditions and legislation of recent origin.

SOME FARMERS' REAL PROBLEMS

Consider there are 15,232,658 automobiles and gasoline trucks in operation in the United States as shown by a recent report by the Government. Accurate estimate is impossible, but if we can assume each of these vehicles displaces two horses, 30,000,000 horses furnished a market for the agricultural produce of not less than 60,000,000 acres of good farm land. At the modest figure of \$10 an acre of profit the farmer has an income less by \$600,000,000 than he would if there were no automotive vehicles in the country. I am aware that some, possibly many, automobiles now in use would be wanting if the owners had to use horse-drawn vehicles; yet you will appreciate the fact that the farmer is met with a condition that seriously affects the value of his land and the market for his produce. It is not a question of the value of the automobile to society as an improved mechanical device, it is purely a problem and a condition to which the farmer must adjust himself.

Again, recent legislation has abolished the farmers' market for 108,000,000 bushels of grain, 2.3 per cent of the total grain crop of the country that formerly was consumed in making alcohol and malt, spirituous, and fermented beverages; that is, 2.3 per cent of the total grain acreage of rich land must be converted to other crops or lie idle. Here, again, it is not a problem in ethics as related to the farmer. It is a condition to which he must adjust himself as the facts of a changing order overtake him in the flowing stream of social history, and the farmers' readjustment makes readjustment necessary for all other groups and industries.

THE MERCHANT MARINE DESTROYED

We have helped to destroy the merchant marine that had cut the cost of ocean transport down to half or less than half it was prior to the World War, and I sometimes wonder if that was not one factor in making the war. Yet the fact remains we have helped to ruin the market for the American farmer, both at home and abroad. And this also, is not to be discussed here; as a problem of ethics it is purely considered in this connection as a serious factor in the farmers' problems. So serious is it that since these laws—Esch-Cummins law, immigration law, and Federal reserve law—have been operative not less than 3,000,000 farmers have forsaken their profession, abandoned their farms, and added their families to the number of consumers rather than producers of food. This is not a situation peculiar to the West and Northwest. In New York and Pennsylvania alone more than 4,300 farms have been literally abandoned, thrown away, in the last three years. So serious is it, I am advised, that in this year of 1924 more than 1,500,000 more farmers will also forsake their farms and flock to the cities, just as they did in the same circumstances in old Rome, when bread and circuses were provided by the state to keep them from rebellious outbreak.

LAND PRICES AND PROPERTY

These contributing causes of the farmers' problems are reflected in the market prices of farm lands, which are only from 25 to 50 per cent of 1920 inflated prices. When the significance of the situation and the methods employed to bring about present conditions are considered, we approach the central factor of the farmers' problems.

I wish to quote the conclusions of a distinguished American, scion of a distinguished family, a family intimately associated with generations of American history, the son and grandson of Presidents, whose name he bears—Brooks Adams. In his historic contribution to modern scholarship, *The Law of Civilization and Decay*, he outlines a philosophy based on the experience of thousands of years. It is as follows:

"Throughout the ages it has been the practice of the moneyed class first to create a period of high prices, to encourage investment, enterprise, speculation, during which they sell property and commodities of all kinds, lands especially, and then to cause a deflation period of swift panic, during which prices of all properties fall rapidly, and at the lowest level of prices they proceed to buy in, at panic prices, the properties they had previously sold; on which they again proceed to elevate prices to former levels, only to repeat the process. The means by which the process is conducted vary from time to time, yet the result is always the same, the mortgage engulfs the pledge."

This process has been demonstrated by 16 such periodic panics in less than a century and a half of our national life. With us, as in practically every case since the panic in Rome under Tiberius, the means was by creating an immense expansion of the amount of money or in modern days by enlarging the volume of bank credit (concentrated or controlled) by virtue of the power granted under the Federal reserve bank act. We should not forget, however, the administrative abuses which have been made possible under private control and monopoly.

Without undertaking to discuss this act itself, it is enough to say that on a basis of less than five billions of actual money there was issued a volume of credit of more than \$60,000,000,000. As a result the price level of all commodities was raised correspondingly.

HOW PANICS ARE MADE

On May 18, 1920, without a word of warning or notice, the balloon credit structure was punctured, discounts were raised, loans were withdrawn, cut down, refused, and the entire fabric of American commerce, exchange, manufacture, transportation, plunged into chaos, and threw 6,000,000 workers on the streets, by the most heartless, vicious, cruel, and unconscionable stroke of avaricious depravity known in the business history of the civilized world. The Federal reserve bank act was represented as intended to stabilize prices, to make panics impossible, to give a flexible, adjustable monetary device that would assure security to business ventures. Yet it was deliberately used to rip over \$60,000,000,000 from the possessors of property and commodities and hand it over to the interests which secured the enactment of the law.

Can those who see the situation as does the farmer marvel that he feels that he has a problem?

Several problems? That he feels that he has a duty to perform?

Market bulletins in the summer of 1920 showed that the price of fat lambs, carload lots, dropped from 22 cents to 8 cents a pound within a few days. This precipitous fall in prices was general. It cut the market price of all commodities and services in the same way and to the same extent. It was observed at all primary markets and affected all forms of farm products. Nor was it a transient matter; it continued and now prevails.

It is important to note that under governmental control and by monopoly manipulation that same year, while the price received by the farmer for his wheat dropped nearly 50 per cent the price of mill feed—bran and shorts—increased in retail price nearly 100 per cent. I have seen the farmers bring in a load of wheat and sell this wheat for less than another farmer paid for the same weight of wheat by-products, mill feed, being delivered at the rear of the same elevator as feed for the farmers' dairy animals. In other words, it would have been more economical for the farmer to have fed the wheat itself.

As to wheat growing in the United States, the future is not reassuring. This is a problem not only for the wheat farmer but for all other farmers and business men and all men engaged in industry. There are opening up vast areas of wheat-producing lands in Canada, in the Argentine, Brazil, Manchuria—virgin soils, cheap labor. There are no artificial tariff barriers that prevent consumers of wheat produced in these parts of the world from paying for the things they buy in things they produce.

Advances in the agricultural arts have made it possible for one man adequately equipped with apparatus and understanding to handle more acres of land than a dozen men could properly cover half a century ago. The fitness of certain soils for certain crops, intensive culture, a knowledge developed by experiment of chemical relations in plant foods, foreknowledge of weather conditions, food values for livestock at different stages of growth and preparation for market, the "farm factory" principle that "finishes the farm product most nearly for consumption"—all these and others have tended to reduce the cost of production of farm products. The most important of these is the great advance in machinery. In place of the forked stick that still is the Hindoo Sudra's plow, or the wooden spade of the Peruvian husbandman, we have the giant tractor-drawn gang plows that turn six furrows at once, cultivating machines operated by gasoline engines, harvesting machines, threshing machines that practically abolish human and animal labor on the great farms of the country. Yet with every advance in technique, every multiplication of power, not a single hour of toil has been lifted from the back of labor.

The economy of effort, the advantage from all these improvements has been absorbed largely by the cost of the machines to the farmer, who must use them or fall behind in the fierce competition he must meet; and partly also by the increase in the market price of land. Competition does not affect the price of the implements and machinery the farmer must use, for the reason that the great bulk of all the farmer's machinery is made by a combination of manufacturers—Harvester Trusts—that have grown to international proportions. It is no solace to the farmer's troubles, no solution of his problems to tell him there is no tariff on farm machinery, for the simple reason that the trust controls the production of all such commodities.

Again, the reflection of higher technique in higher land values, merely adds to the farmer's burden. If he is to have a return of 6 per cent on investment, he must work more than twice as hard on \$100 land as he would have to work on \$50 land. Therefore, while with better roads, telephones, rural free-delivery mail, superior technique and apparatus, some farmers may have made money as land speculators, only an insignificant few have made financial successes as cultivators of the soil.

FERTILITY DEPLETED

Meanwhile, as an offset to any advance in land values there has been a constant decrease in fertility, soil exhaustion, owing to unintelligent cropping. The average production of corn, wheat, and other staple crops has suffered a steady and progressive decline. Lands that once produced from 30 to 40 bushels of wheat or 60 to 75 bushels of

corn per acre now produce only 12 to 20 bushels of wheat and 25 to 40 bushels of corn, notwithstanding all improvements in farm methods.

This condition has given rise to the fertilizer problem and the fertilizer combination. The World War concentrated official attention to this problem, which was not only a farmer's problem but a national problem and one which has not yet been placed in satisfactory course of solution. As a result of acute shortage of the important element of nitrogen in commercial fertilizers the Government, under the Department of Agriculture, has been conducting experiments through the Bureau of Nitrogen Research in order to develop methods of extracting nitrogen from the atmosphere, in quantities and at a cost making it available for agriculture.

It is encouraging to be able to say that these experiments have demonstrated the possibility of producing atmospheric nitrogen at a cost of less than half of that shown by other processes. But the fertilizer combination or monopoly still operates to levy all the traffic will bear for this vital necessity for successful agriculture. When it is necessary to use 1 ton of highly nitrogenous fertilizer on each acre of land in order to raise potatoes economically, it becomes important to know whether it will cost \$35 or only \$20 a ton, and also whether potatoes will bring 15 cents or 75 cents a bushel on the markets.

THE FARMERS HAVE A GAMBLER'S CHANCE

As a matter of fact, the farmer is the greatest gambler on earth. He gambles on the seasons and the weather; he gambles on the labor market and on grasshoppers, army worm, chinch bugs, the boll weevil, and other vermin. He takes a chance on accident and disease for himself and all his creatures. His horses and cattle, his sheep and swine, his poultry, and his orchards sicken and die. He contends with the blackleg in his pastures and with other blacklegs at every step of the way from the farm to the bank, where he has often had to overdraw in order to pay freight and commission after selling for less than the cost of raising his crop.

The barest outline of the market problems of agriculture fully explain the sense of resentment universally felt by farmers against conditions and influences responsible therefor. It has, quite by accident, of course, come about that "after harvest" the farmer is expected to be in funds and most anxious to discharge all his obligations. Therefore his fixed obligations—interest on his mortgage (if he has been fortunate enough to borrow money), store bill, taxes, fertilizer bill, machinery account, blacksmith and doctor's bills, and all and sundry accounts payable—are presented for payment. Now, it has, quite by chance, of course, usually happened that from July to late November there has been a money stringency; money has been "tight," absorbed in "moving the crops." This naturally presses the farmer to take lower prices for his crop in order to meet his bills with ready money. Then, too, owing to the same cause, cars are scarce, hard to get, "moving the crops," which also tends to force down the price. Last December there were thousands, hundreds of thousands, of tons of wheat lying on the ground at shipping points in Montana and North Dakota for want of cars; wheat hauled in from 30 or 40 miles to shipping station, only to be piled out in the weather till the railroads could (?) take care of it. Elevator space gorged with wheat, private houses commandeered to store wheat.

In Michigan and Minnesota hundreds of acres of potatoes were left to freeze and rot in the ground because they would not pay the labor cost of digging them. Millions of tons of alfalfa, the finest stock feed on earth, rotted down in the stack in Colorado, Wyoming, and other States because it would not pay for hauling to the shipping point.

It is an economic truth demonstrated by all commercial history that the flow of manufactured goods must be balanced by the flow of farm products, foodstuffs, and clothing materials. Otherwise manufacturing would stop. All trade, all commerce, is essentially exchange of the products of different industries. Quite apart from questions of theory, political or social, voluntary trade can not exist on any other basis. Under an imperialism such as Rome developed, enforced trade—i. e., tribute—was enforced upon her colonies—Sicily, Spain, Gaul, Egypt—and paid very largely in wheat, while from the Balkans immense quantities of pork were constantly flowing to the capital city. The lack of adequate or equivalent return in goods resulted in the impoverishment of the colonies and insurrection and rebellion only held in check by military force that only added to the burdens of the colonial population. So long as Rome was able to pay her frontier armies, Rome and the Empire were secure. When, however, the gold and silver money of the government was exhausted, when the mines of Spain were worked out and Rome could no longer pay her soldiers, the armies evaporated, defenses broke down, and the sager northern hordes broke through. The initial blunder lay in the idea that the natural laws of economics could be ignored and defied, even by the mistress of the world, the Empire of Rome. It might be an advantage if modern states could profit by the blunders of ancient times.

WHERE THE FARMERS' PROFITS GO

There are three general groups who share in the division of the wealth produced in America. These may be roughly described as, 1, the capitalist group; 2, the municipal labor group; 3, the farmer

group. The income and excess profits tax reports indicate the composition of the first group with sufficient clearness. The second group may be considered as represented by organized labor, although organized labor strictly construed consists of only a minor number. The third group embraces all farm labor or farmers.

The share of our annual wealth enjoyed by these groups, respectively, may fairly be estimated by the individual income received by the average member of each group. The Bureau of Economic Research in the Department of Agriculture has issued a report on farm incomes for the year 1922, showing the average daily earnings of American farmers, including as cash at market prices the home-raised commodities required for subsistence, with the cash returns for produce sold, and reckoning the average number of actual farm workers at two and one-half persons per farm, it shows the average daily income per farm to be within a fraction of 78 cents per day.

In contrast, consider the cash income of the workers in the building trades of our cities. At this time, here in our Capital City, the bricklayers are demanding an advance from \$12 to \$14 per 8-hour day for a 5-day week. In the Pittsburgh district, plate rollers have been receiving cash incomes of from \$460 to \$650 per month, while their employers, specially protected manufacturers, pay dividends running toward 100 per cent on stock that is a watery capitalization of the privilege of private taxation.

PRODUCERS—FARMERS—MUST ORGANIZE FOR POLITICAL ACTION

The principle of "organization" has been urged upon the farmers as their only means of self-protection. The Hon. SIDNEY ANDERSON, chairman of the Agricultural Commission and also chairman of the agricultural conference here, after many months of investigation said to the assembled representatives of agricultural organizations, in effect: "There is no fairy wand of legislation that can afford relief to American farmers. Your oppressors are organized; you must adopt their tactics—organize!"

To organize farmers means the organization of all the people not included in the two first groups; that means the coordination of interests as divergent as the potato farmers of Maine and the sheep herders of New Mexico, the apple men of Oregon and the cotton men of Alabama, the dairy men of Wisconsin and the beef raisers of Texas, the tobacco men of Connecticut and the citrus men of Florida and California.

It must be evident to all that this kind of organization is impractical. In cases where groups of farmers engaged in similar production, as wheat growers, have undertaken to organize, and as organizations took action to prevent unlawful acts to their injury, as in the case of the Chamber of Commerce of Minneapolis, in 1917, seven years ago this month—no final result has as yet been obtained while the unlawful practice complained of is still in operation; and it would appear that the way is being paved to reject the findings and justify the Minneapolis Chamber of Commerce in continuing the practices so well known to all grain growers in the Northwest. As in the granger laws previously mentioned, when the Supreme Court sustained these laws, the only escape for monopoly was to amend or repeal them, and that was what happened.

There is a method of organization, however, that will bring relief to farmers and so help to solve the farmers' problems. If they are denied the opportunity and benefits of economic organization, they are driven to the only alternative of political organization.

The weary years of hope deferred, the disillusionment, the loss of faith in parties has been a bitter experience; but even so, they have had their value. They have been a training school, severe and relentless, yet out of it they are coming, as the children of Israel came out of the wilderness, disciplined, hardened, fused into a compact mass with a common idea.

THE FARMER AND SOCIETY

While the farmer may become unduly self-conscious under the concentrated gaze of the society in which he suddenly has become so conspicuous and important a part because of "problems" that seem peculiarly his own, the fact is that these so-called farmers' problems are social problems and are equally important to all the groups making up society. Society, the social body, is organic not mechanistic. It has a vitality, a consciousness, even though this consciousness be as yet unconscious of itself—dormant. Society is the more or less truthful embodiment of the principle of cooperation, and its political organization, method of social expression, must be either cooperative or coercive in form and function. Even a casual study of history embracing the field now available for purposes of comparison shows that the earliest method of subjugation of men was through physical force. Can we visualize a society in which scholars, philosophers, artists, physicians, poets were chattel slaves? Yet Plato was a slave in the quarries of Syracuse until redeemed by a wealthy Athenian. Seneca and Epictetus were slaves. Horace was the son of a redeemed slave.

FEUDALISM AND THE LABE

The next step in the emancipation of the masses of mankind came with the establishment of military feudalism under Charlemagne, by which the masters enforced unrequited labor through overlordship of land. Economic domination was even more complete under feudalism

than under the chattel slavery. The lash of hunger entwined with the lash of ambition sufficed to compel a surplus production that glutted the avarice of overlords and built the cathedrals that are the wonderful monuments of a credulous people's faith and of a religion that was the chief instrument of their enslavement.

THE MONEY OR CREDIT EVIL AND MODERN SLAVERY

In our time the means of subjugation is the monetary system, the confiscation of the people's credit power through a law-made power to manufacture substitutes for money. The principal business of those to whom this power is delegated by government is the manufacture of debts. And if people will not willingly submerge themselves in debts, so great has this power grown that debts are forced upon them through the agency of war. International "financiers" are this very day working out a program that, if it succeeds, will chain the world into lock step for centuries, as they have chained the peoples and the industries of all nations.

There is, however, and most fortunately, a simple and effective way of escape from these conditions, one that assures future immunity, only waiting for the intelligence and patriotism of the people to awake to their power and opportunity—that is, for the Nation to reassume the exercise of its sovereign power to issue and regulate the value of the money of the people.

PETITIONS AND MEMORIALS

Mr. ROBINSON presented memorials of sundry citizens of the third congressional district of Arkansas, remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which were referred to the Committee on Interstate Commerce.

Mr. JOHNSON of Minnesota presented numerous petitions of sundry citizens in the State of Minnesota, praying for the passage of legislation providing an equipment maintenance allowance to rural mail carriers, which were referred to the Committee on Post Offices and Post Roads.

Mr. FERNALD presented a resolution adopted by the National Cannery Association, favoring the appropriation of an additional \$75,000 for a plant disease survey, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the National Cannery Association, favoring a substantial reduction in taxes, which was referred to the Committee on Finance.

He also presented a resolution adopted by the National Cannery Association, favoring an amendment to the Constitution relative to the regulation of child labor, which was referred to the Committee on the Judiciary.

Mr. WILLIS presented petitions of sundry citizens of Wilmington, Lebanon, and Oregonla, all in the State of Ohio, praying an amendment to the Constitution granting equal rights to women, which were referred to the Committee on the Judiciary.

He also presented numerous petitions of sundry citizens in the State of Ohio, praying for the passage of legislation providing an equipment maintenance allowance to rural mail carriers, which were referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted at the annual meeting of the Congressional Conference of Ohio, representing 225 churches, favoring a reconsideration of the action of Congress relative to Japanese immigration on the immigration bill, and the founding of measures hereafter upon friendly diplomatic negotiations consistent with the historic friendship of the two nations, which was referred to the Committee on Immigration.

He also presented a resolution of the Bellevue (Ohio) Chapter No. 15, Izaak Walton League of America, favoring the passage of House bill 4088, to establish the Upper Mississippi River Wild Life and Fish Refuge, which was referred to the Committee on Commerce.

He also presented a resolution of the Lakewood (Ohio) City Council, protesting against the passage of legislation authorizing the Sanitary District of Chicago to increase the amount of water diverted from Lake Michigan, so as to further lower the level of Lake Erie, which was referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. KEYES, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 7113) to establish a dairy bureau in the Department of Agriculture, and for other purposes, reported it without amendment.

Mr. CAMERON, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3093) granting certain public lands to the city of Phoenix, Ariz., for municipal, park, recreation, playground, or public convenience purposes, reported it with amendments and submitted a report (No. 569) thereon.

Mr. BURSUM, from the Committee on Pensions, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

A bill (H. R. 6426) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and certain soldiers and sailors of wars other than the Civil War and to widows of such soldiers and sailors (Rept. No. 570); and

A bill (H. R. 6941) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war (Rept. No. 571).

Mr. LADD, from the Committee on Agriculture and Forestry, submitted a report (No. 572) to accompany the bill (S. 3047) authorizing joint investigations by the United States Geological Survey and the Bureau of Soils of the United States Department of Agriculture to determine the location and extent of potash deposits or occurrences in the United States and improved methods of recovering potash therefrom, heretofore reported by him without amendment.

Mr. NORBECK, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 127) to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture, reported it without amendment and submitted a report (No. 573) thereon.

Mr. SMOOT, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 2882) to provide for the reservation of certain land in Utah as a school site for Ute Indians (Rept. No. 574); and

A bill (H. R. 2884) providing for the reservation of certain lands in Utah for certain bands of Paiute Indians (Rept. No. 575).

Mr. CAMERON, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 498) providing for a recreational area within the Crook National Forest, Ariz., reported it without amendment and submitted a report (No. 576) thereon.

Mr. LADD, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 656) to add certain lands to the Plumas and to the Lassen National Forests in California (Rept. No. 577);

A bill (H. R. 1442) authorizing issuance of patent to Charles Swanson (Rept. No. 578);

A bill (H. R. 4481) authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Mich., for other lands in the vicinity (Rept. No. 579); and

A bill (H. R. 7109) to authorize acquisition of unreserved public lands in the Columbia or Moses Reservation, State of Washington, under acts of March 28, 1912, and March 3, 1877, and for other purposes (Rept. No. 580).

Mr. BURSUM, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3024) providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber within the exterior boundaries of any national forest situated within the State of New Mexico, reported it without amendment and submitted a report (No. 581) thereon.

He also, from the same committee, to which was referred the bill (S. 2979) to extend the provisions of the homestead laws so as to allow certain credit in lieu of permanent improvements for the period of enlistment to soldiers, nurses, and officers of the Army, and the seamen, marines, nurses, and officers of the Navy and the Marine Corps of the United States, reported it with amendments and submitted a report (No. 582) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. UNDERWOOD:
A bill (S. 3353) authorizing the Secretary of the Treasury to remove the quarantine station now located at Fort Morgan, Ala., to Sand Island, near the entrance of the port of Mobile, Ala., and to construct thereon a new quarantine station; to the Committee on Commerce.

By Mr. WALSH of Massachusetts:

A bill (S. 3354) to authorize the appointment of Machinist Henry F. Mulloy, United States Navy, as an ensign in the regular Navy; to the Committee on Naval Affairs.

By Mr. SMITH:

A bill (S. 3355) granting the consent of Congress to the counties of Marion and Florence, in the State of South Carolina, to construct a bridge across the Pee Dee River at or near Savage Landing, S. C.; to the Committee on Commerce.

By Mr. EDGE:

A bill (S. 3356) for the relief of Joy Bright Little; to the Committee on Naval Affairs.

A bill (S. 3357) to amend sections 2 and 5 of the act entitled "An act to provide the necessary organization of the customs service for an adequate administration and enforcement of the tariff act of 1922 and all other customs revenue laws," approved March 4, 1923; to the Committee on Finance.

By Mr. FERRIS:

A bill (S. 3358) for the relief of Morgan Miller; to the Committee on Claims.

By Mr. LODGE:

A joint resolution (S. J. Res. 130) for the participation of the United States in an international exposition to be held at Seville, Spain, in 1927; to the Committee on Foreign Relations.

AMENDMENT OF TRANSPORTATION ACT OF 1920

Mr. RANDELL submitted an amendment intended to be proposed by him to the bill (S. 3315) to amend section 206 of the transportation act, 1920, approved February 28, 1920, which was referred to the Committee on Interstate Commerce and ordered to be printed.

THE PERIL OF NARCOTICS

Mr. CAPPER submitted the following concurrent resolution (S. Con. Res. 10), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document an eight-page article entitled "The peril of narcotics—A warning to the people of America," by the International Narcotics Education Association, and that 50,000,000 additional copies shall be printed, of which one-half shall be for the use of the Senate and one-half for the use of the House of Representatives.

IMPROVEMENT OF THE SENATE CHAMBER

Mr. COPELAND submitted the following resolution (S. Res. 231), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Architect of the Capitol be authorized and directed, under the supervision of the Senate Committee on Rules, to consult with architects of repute and expert in ventilation and acoustics with a view to improving the living conditions of the Senate Chamber, and giving attention to rearrangement and reconstruction, including a plan to place the Chamber in direct contact with the outer wall or walls of the building, and to report with plans to the President pro tempore of the Senate on the first Monday of December, 1924. The expenses hereunder, not to exceed the sum of \$10,000, shall be paid out of the contingent fund of the Senate.

CLAIMS OF THE CHOCTAW AND CHICKASAW INDIANS

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HARRELD. I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the President pro tempore appointed Mr. HARRELD, Mr. CURTIS, and Mr. KENDRICK conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ANTHONY, Mr. DICKINSON of Iowa, and Mr. JOHNSON

of Kentucky were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had signed the enrolled bill (S. 2922) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army, and it was thereupon signed by the President pro tempore.

FARM LOAN BOARD

Mr. HOWELL. Mr. President, as stated at the outset of my remarks on yesterday, the names of four nominees for membership on the Federal Farm Loan Board are now on the Executive Calendar awaiting action by the Senate. The candidates were selected by President Harding and hence have been in office as recess appointees. Two have served approximately 15 months and the other two about 12 and 11 months, respectively. In short, these nominees have been a majority of and in control of the Federal Farm Loan Board for nearly one year, and to all effects and purposes, considering the circumstances, since March 4, 1923. Therefore, in passing upon these nominees it should be kept clearly in mind that the Senate is not dealing with recent appointees, but with those who have records as members of the Farm Loan Board. As a consequence the question to be decided in considering these nominations is not one of mere personality, but whether the Senate can afford to place its stamp of approval upon the records of these recess appointees.

For several months past the Senate Committee on Banking and Currency has had under consideration the nominations in question. Various persons have appeared for and against confirmation and evidence has been adduced and facts developed at such hearings, which I presented yesterday.

The Federal Farm Loan Board, and hence its nominees, constituting a majority of the membership thereof, in my opinion stand convicted of the following charges, which I discussed yesterday.

1. Violation of a cardinal principle of public policy, enunciated in section 6 of Article I of the Constitution of the United States, prohibiting a legislative officer from enjoying the emoluments of any office created during his incumbency.
2. Unlawful procedure in approving of the creation of a new official for the Federal farm-loan system to be known as fiscal agent.
3. Looseness and gross carelessness in the conduct of the affairs of the board, indicating incompetency.
4. The unlawful withdrawal of funds from the Treasury of the United States and the disbursement of such funds without the authority of Congress.
5. Looseness and neglect in the disbursement of funds.

On yesterday I discussed these charges, so far as I have read them here at this time. I will not attempt at this period in my remarks to recapitulate, but will proceed with the next specification, which is—

6. Misapplication of funds.

As pointed out yesterday, some \$37,000 were transferred from the Treasury to an account in the Franklin National Bank in the name of the farm-loan commissioner, Mr. Lobdell, and this account was checked upon from time to time until on February 16 of last year there remained in the account but eighty-six dollars and some cents. This account was established in September of 1922. So during that period of about 16 months this \$37,000 was expended by checks drawn by the farm-loan commissioner.

I have pointed out here that checks were drawn payable to employees. Those checks were cashed; the money was used; and the board has no record as to whom that money was paid. Now, I propose to show that checks were also drawn on this account as loans to employees and as presents to employees. I further propose to show that loans were made to members of the board.

In the testimony elicited in the examination before the Banking and Currency Committee of the Senate the following questions were asked of Mr. Lobdell, who was then farm-loan commissioner and in whose name this account was carried:

Q. In the case of Henry I. Raley he was on the Treasury pay roll, was he not?

Judge LOBDELL. Prior to that time?

Q. No. He went on the pay roll on the 1st day of February when his wife quit.

Judge LOBDELL. That is my impression—yes; the same date.

Q. Now, then, he was on the Treasury pay roll, and yet you paid him \$160 out of this fund. Do you hold that this fund did not belong to the Government?

Judge LOBDELL. Yes, sir.

Q. Then, if that is true and you paid this money, you violated the law of March 3, 1917, which is to this effect:

"On and after July 1, 1919, no Government official or employee shall receive any salary in connection with his services as such an official or employee from any source other than the Government of the United States, except as may be contributed out of the treasury of any State, county, or municipality; and no person, association, or corporation shall make any contribution to or in any way supplement the salary of any Government official or employee for the services performed by him for the Government of the United States."

Q. He was working for the Government of the United States, was he not? And yet out of this fund that you say does not belong to the Government you paid him \$160?

Judge LOBDELL. That is correct.

Q. * * * Now, then, I should like to ask you about Millie V. Raley. On February 1, 1923, she ceased to be employed by the Farm Loan Bureau.

Millie V. Raley, I might add, Mr. President, was the wife of Mr. Raley.

Judge LOBDELL. Yes; that is right.

Q. The moment she ceased to be employed Henry I. Raley became employed?

Judge LOBDELL. That is right.

Q. You advanced him \$100, as stated?

Judge LOBDELL. Yes, sir.

Q. And then you gave Mrs. Raley on that day a present of \$133.65?

Judge LOBDELL. Whatever the amount states; yes, sir. The expression is hardly a fair one, though, Senator. The Senator is aware of the established usage of the Treasury. Where an employee has been in the service for three years or more, and is separated from the service, he may receive one month's absence with pay—may be paid for an additional month. * * * In that instance it became necessary to deprive her of the month's leave to which she was entitled with pay as a clerk and pay this from this fund.

Q. But she was working for the Government of the United States, was she not, when she drew that?

Judge LOBDELL. Yes, sir.

Q. And you took from this fund, that you have said had nothing to do with the Government of the United States, and made her a present of \$133.65?

Judge LOBDELL. I have stated the facts; yes, sir.

Mr. President, I do not wish to be offensive, and, as I have said here, I have not charged the members of the board with dishonesty; but as we know, in an engine room they have, or used to have in the old days, what was called a "slush bucket." It contained grease, and that grease was put upon the bearings to make them run smoothly. From that expression the term "slush fund" has been developed. It means a fund that is drawn upon to make things run smoothly and to be applied where it is desired to be generous at the expense of somebody else. That is what this fund was used for in many cases. Any such transaction in connection with Government or public funds should be deprecated in the severest terms. Government affairs, public affairs, can not be run in that way.

Here was a young woman who resigned as an employee of the Government of the United States. They took \$133.65 out of a fund which they held had no relation to the United States and paid it to her. It was a gift, according to their statement.

There was no appropriation made by Congress from which they could have made that gift. The day she resigned what took place? They put her husband on the pay roll of the United States at \$1,640 a year, and then on the day that he assumed his duties they took from this fund and gave him \$100, and at the end of six months they gave him another \$60 out of the same fund. They stated that his salary was to be \$1,800 a year, but the Treasury pay roll would allow him only \$1,640, so they resorted to this fund and drew out \$160 and gave it to him, and they gave him \$100 before he had earned a cent. How did they explain it? Well, they said he was to travel for the Farm Loan Board, and that really this was an advance of traveling expenses. I said: "I thought you said this was salary." "Well, yes; we did consider it salary afterwards." I said: "Then he did traveling for you, did he?" "Yes." "Then I should like to see his statement of expenses for the next month." They said they could not produce it at that time, nor did they produce it. I insisted that the best evidence that this money was used for traveling expenses was his rendered account for traveling expenses, and in my opinion they can not show any vouchers; at least, they have not furnished a voucher.

It may be urged that this is a small matter; but I have been unable, and this committee has been unable, to go into but the mere edge of the accounts of the Federal Farm Loan

Board. They allowed me to make inquiries into less than some 20 items, covering \$7,000. Then the committee went into executive session and reported these nominees to the Senate. After months had been spent in preparing this statement, covering \$881,000,000, it must be apparent to anyone that no Senator here could, in a few days, analyze that statement that took 10 accountants six or seven weeks to prepare. It is a mere cash statement without giving a description of items. It must be evident that in order to know what has been going on in the Farm Loan Board that these items must be scanned with the greatest care, and the little things would indicate how the big things were handled. That you may know how the big things were handled, let me tell you that they have paid some \$8,000,000 for the sale of bonds, yet they have no written contract with any bond house.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Florida?

Mr. HOWELL. I do.

Mr. FLETCHER. The Senator refers to the decision of the committee in discontinuing any further inquiry into these accounts and the other matters that the Senator brought to the attention of the committee, and proceeding to report out the nominations.

The Senator will remember that there were several bills introduced—I introduced a bill early in December—to place this board back on its original basis of five instead of seven members, with the Secretary of the Treasury as chairman of the board; making four members to be confirmed by the Senate instead of six members to be confirmed by the Senate as provided in the intermediate credits act, which amended the original farm loan act in several respects. Those bills the committee never has acted upon. If the bill which I presented to the Senate, and which has been under some consideration by the committee, although the main consideration has been devoted to the question of confirmation of these nominees, had been reported out by the Senate and become law, then the names of members of this board to be submitted to the Senate would have been only two instead of four. So that was one question to be determined, whether this membership should not be reduced, in which event there would be only two names submitted instead of four. The committee has never passed on that question; and the reply, when I urge consideration of those bills, is that the session has so far progressed, and the adjournment is so nearly in sight, that the committee has not had time to report out those bills, and neither House of Congress has time to consider them, and therefore the legislation can not be changed, and there is nothing to do but accept the situation as it is.

That is the response the committee makes to that suggestion. Whether or not that is a good reason for voting to confirm these nominees is a matter to be considered; but that is the reason given now why we can not have action upon the proposition that this board as now constituted is larger than it ought to be, and ought to be put back where the original act placed it, namely, five members instead of seven. If that were done, then there would be no occasion for four nominations. The occasion then would be for only two names to be sent in; but the answer is that that can not be done, because we are too near to the close of the session, and it is impossible to obtain legislation, and therefore there is nothing to do but to accept the situation as it is and act upon the nominations before the committee. The result was that the nominations were reported out.

Mr. MOSES. Mr. President, let me interject, if the Senator from Nebraska will permit me, that I am very much interested in what the Senator from Florida says, that we are near the close of the session. I hope he has some real foundation for that belief.

Mr. FLETCHER. I am simply giving the response of the committee, and I only know, so far as that committee is concerned, that it seems to be impossible ever to get a quorum of the committee, and the reason assigned is because, if we should pass the legislation in the Senate, it can not be acted on in the other body, and therefore there is no use of holding any further meetings. That is the situation of the public business. You can scarcely get a quorum of a standing committee.

Mr. HOWELL. Mr. President, the Senator from Florida has made it very clear that he has urged a bill for the reduction of the number of the members of the Farm Loan Board from six to four, the number of members prior to March 4, 1923. That bill was introduced early in this session. It was supplemented by a similar bill introduced by the senior Senator from Idaho [Mr. BORAH], but the committee has not considered those

ills, although the distinguished Senator from Virginia [Mr. GLASS] during the hearings interposed the following:

Senator GLASS. Governor [Norris], after all, are not the functions of the farm-loan boards distinctly administrative and supervisory, and are they not authorized under the law to employ agencies to do the detail work of the system, and if one man, to wit, the Comptroller of the Currency, can supervise the entire national banking system, comprising nearly 8,000 commercial banks, why may not five men administer and supervise this system that is not nearly so varied in its operations as the commercial bank system of the country?

Mr. NORRIS. I do not quite catch your question, Senator.

Senator GLASS. I say, if one man, the Comptroller of the Currency, for instance, may effectively supervise and administer the whole national banking system of the country, with its great variety of business and interests, why may not a board of five members administer and supervise this other system?

Mr. NORRIS. Of course they may. I think there is quite a distinct difference, though, between the functions of the comptroller with regard to the national banks and the functions of this board with regard to these Federal land banks. If the national banks of the country were issuing obligations every day secured by the notes that they had taken from their customers, and the comptroller was required to put a certificate on each one of these obligations, then you would have a situation that would be parallel to the situation of the Farm Loan Board with regard to these land banks.

Senator GLASS. Well, the comptroller has to do more than that. He has to watch the detail business of every national bank. He has to watch every loan that the bank makes, the character of the collateral securities, etc. He has to supervise the issuance of notes; in other words, the Comptroller of the Currency is a czar of the whole national banking system, and he is charged with the duty of knowing intimately every detailed operation of every bank. It is true he does not do it himself; he appoints his bank examiners and his agents; he has his various departments there; and would it not be just as easy for five men to create these departments and appoint these examiners and to intimately supervise the business of this system as seven men?

Mr. NORRIS. I think it would be if they relied, as the comptroller necessarily does, on his examiners and chief examiners.

Senator GLASS. But, Governor, if five men supervise the operations of the great Federal reserve banking system, whose business is so infinitely greater than the business of the farm loan banks that it is not comparable—if five men could do that, why could not five men do this?

Such is the opinion, evidently, of the Senator from Virginia, and these bills are before the committee. Why has not the committee acted on them? The measures are simple. Well, Mr. President, there are four appointees involved, and I am afraid that is largely the reason why this action has not been taken.

But, to proceed, Mr. President, it has been urged, as I have stated before, that the items to which I have referred are comparatively small items. Mr. President, it is the small details about a business that indicate how the big details are taken care of. It is the small details about a business that can be easily gone into; but when you come to the big matters it takes much investigation, and it must be admitted, by any Member here that merely to understand that cash statement—Treasury's record of analysis—without going into the items is a task, and yet the committee allowed me to ask questions respecting 20 items only.

Mr. President, It has taken six weeks of work to produce this statement—from what? From deposit slips, check stubs, correspondence. That is all the Treasury employees had to work with. Oh, yes; they had the memories of a young woman and one or two other employees. After working with these they finally produced this statement, which is nothing but a mere statement of receipts and expenditures.

I was asked yesterday if it was not a fact that this statement balanced. Mr. President, if you consider the case of any bank defaulter you will find that his accounts balanced right along. It was only when they went in and found how they balanced that they found the defalcation.

I am not charging here a defalcation, but I am simply using this as an illustration. It is very easy to make an account balance. I can hand out \$100 and authorize its expenditure, and those to whom I give it may come back and hand me \$20 and say they have expended the other \$80, and the account balances; but that does not indicate to me for what they have expended it; and that is what the Farm Loan Board does not do. After weeks were spent in providing this statement—in fact, it was nearly two months—after my attention was called to the fact that the statement was completed I began to analyze it. It was a task. I could go into only parts of it. Senators know the various duties of a Senator. I had not the time,

I could go into parts of it only. I could but sit up nights and study these accounts, and then, when I had gone into certain items, I was up against a stone wall, because I had no documents to examine so as to determine what they meant.

So, when the chairman of the Committee on Banking and Currency said they were ready to proceed, I wrote the following letter to the chairman of the Committee on Banking and Currency:

MY DEAR SENATOR: I would suggest in connection with the continuance of the hearings respecting the Farm Loan Board matters that the following procedure be adopted:

(1) That Maj. Walter O. Woods, of the Treasury Department, who was in charge of the recent analysis of the fiscal agent's accounts, be first called before the committee for examination.

(2) That Judge Lobdell follow Major Woods and submit all vouchers in connection with payments made by checks upon the Treasury Department whose numbers I will submit in another letter.

(3) That the Farm Loan Board shall submit all books, vouchers, and memoranda in connection with the Franklin National Bank account.

(4) That certain employees of the Federal Farm Loan Board, whose names will be subsequently afforded, be called for testimony.

(5) That Governor Cooper, of the Farm Loan Board, together with Board Members Landes, Corey, and Jones, be also asked to appear before the committee for further examination.

This is a letter which I addressed to the chairman of the Committee on Banking and Currency when this analysis had been completed, and the letter is dated May 12, 1924.

The committee proceeded with hearings on last Wednesday. The first hearing began in the morning about 10 o'clock and lasted until noon. Major Woods was on the stand that morning. He had not finished his testimony when the recess was taken. At 2 o'clock the committee assembled again, and it proceeded with an examination of just one other witness besides Major Woods—Judge Lobdell. I think there was a third witness brought in, one called at the last moment for just a few words respecting a signature, but outside of Judge Lobdell not another witness was called, although I had asked that other witnesses be present, and that I have the privilege of examination.

Finally, after a number of objections had been made, the following took place:

Senator GLASS. I move we go into executive session.

The ACTING CHAIRMAN. It has been moved that we go into executive session. If there is no objection, that will be in order.

Senator HOWELL. I would call the committee's attention to my letter of the 12th instant to Senator McLEAN—you have a copy of it here—in which I request a certain course to be followed, and that I be allowed to present and have the privilege of examining certain witnesses. I just want to call it to the attention of the committee again.

The ACTING CHAIRMAN. Very well. The committee will now proceed to executive session.

They did so, and these appointees were reported out for confirmation.

So I wish it to be distinctly understood, Mr. President, that I had not finished the examination. The examination would take a considerable time, and the Banking and Currency Committee is not the proper committee before whom this matter should be presented, because there are 15 members of the Banking and Currency Committee, and it must be recognized that they can not all be present at prolonged hearings. This investigation is something that ought to be conducted by a special committee.

Mr. President, during nearly half of the sessions there were but five or less members in attendance on the Banking and Currency Committee meetings—that is, up to the time this analysis report was made. During that period some 26 hours were consumed. I occupied, in questions and answers, some 3½ hours of that time, and then my attention was challenged to the state of the board's accounts and the unlawful expenditure of money. It was then that I introduced a resolution in the Senate calling upon the Secretary of the Treasury for an analysis of the Farm Loan Board account, including the sources of their various receipts. As I have stated, it took nearly two months to furnish that report, and during that period there was no hearing by the Committee on Banking and Currency.

After the report had been made one hearing was granted, the hearing I have described, at which I was allowed to investigate less than 20 items out of hundreds of thousands of items, covering expenditures of \$881,000,000, and those 20 items amounted to less than \$7,000.

Naturally, I feel that no adequate investigation of the affairs of the Farm Loan Board has taken place. I feel that such an investigation is absolutely necessary. I do not say this as an enemy of the farm-loan system. I am one of its most ardent friends; but a great public enterprise like the Farm Loan Bureau, conducted by the public, can not persist unless it is handled in a manner beyond suspicion.

I am jealous of the conduct of the affairs of this institution. It has been of tremendous value to the farmers of this country, and it ought to be guarded in the most careful manner. Therefore, as this enterprise has been in existence some six years, and shortcomings have begun to develop, I think a friendly investigation into its affairs should be provided for by the Senate, so that we may know all the facts and provide for the future.

I call attention to a fact that suggests that there should be an investigation, at least in a friendly way. It cost about \$4,000,000 for the expenses of the Farm Loan Board for the three years 1917, 1918, and 1919. For 1920, 1921, and 1922—I think I am stating the years correctly—these expenses and salaries amounted to about \$6,000,000. Although the total of loans over those six years had aggregated in the neighborhood of \$800,000,000, during the latter three-year period only \$75,000,000 more was loaned than in the preceding three years.

Why this increase in expenses? It may have been entirely proper, but when you investigate the methods that have developed in the conduct of the small affairs of this institution, and when you remember the board created the office of fiscal agent and promoted one of their own number to that office at a salary of \$25,000 a year, when he had been getting but \$10,000, performing all duties of both fiscal agent and farm loan commissioner, it suggests that the reins have been loosened and that something should be done in the interest of the farmers, who must pay the bill.

Mr. KING. Will the Senator yield?

Mr. HOWELL. I yield.

Mr. KING. In the examination which was made before the committee, and from the information obtained by the Senator, does he justify the increases in salaries and compensation and expenditures, or does he think from that information that the reins have been too much loosened, and that there ought to be a tightening up of the reins and more of economy and retrenchment in the administration of the affairs of that important department?

Mr. HOWELL. Mr. President, I will answer that question in this way: It challenges my attention, but I have been in executive work, and I know how expenses may increase, and properly increase; but in view of the fact that but \$75,000,000 more business was done during the latter period, and the expenses were in the neighborhood of \$2,000,000 more, in the interest of the farm loan system I think it ought to be looked into by Congress.

Congress is becoming more and more a board of directors of these great institutions, and when we make an investigation of this kind it should not be looked upon as a hostile investigation, but merely as a check up to let officials know that Congress has its eye on them and proposes to determine what ought to be done; as a matter of fact, recommendations for such legislation as may be necessary should come after a careful investigation of what has been going on.

Mr. President, in my opinion, as stated before, the Farm Loan Board, and hence these nominees who have constituted a majority of that board for practically one year, are guilty of the following acts:

(1) Violation of a cardinal principle of public policy enunciated in section 6 of Article I of the Constitution of the United States, prohibiting a legislative officer from enjoying the emoluments of any office created during his incumbency. Prior to July 1, 1923, Charles E. Lobdell was a member of the Farm Loan Board and served as farm loan commissioner or chairman of the board. In addition he performed the duties of fiscal agent of the land bank system, as had all farm loan commissioners preceding him. His salary was fixed by Congress at \$10,000 per annum. On June 12, 1923, at a meeting of the members of the Farm Loan Board and the 12 land bank presidents, the farm loan commissioner was relieved of the duties of fiscal agent through the creation of a new office to be known as fiscal agent, at a salary of \$25,000 per annum. Of course, this was done by and with the approval of the Farm Loan Board, both as to the creation of the office and the fixing of the salary.

On the same day it was arranged that Mr. Lobdell should become the new fiscal agent, and he assumed his duties some 20 days later; that is, on the date that his resignation as member of the board and farm-loan commissioner took ef-

fect. Thus a member of a quasi-legislative board became the beneficiary of a new office with an increase in salary of two and a half times, for the performance of but part of his previous duties, a result rendered possible only by the approval of the board in question, of which he happened to be the chairman.

(2) Unlawful procedure in approving of the creation of a new official for the farm-loan system to be known as fiscal agent.

The Federal Farm Loan Bureau is the creature of Congress, and nowhere has Congress delegated authority to change the system or create additional officers. As a matter of fact, Congress has specifically named the list of officials, and each year in the Treasury appropriation bill fixes the salaries of all officials of and within the bureau.

(3) Looseness and gross carelessness in the conduct of the affairs of the board, indicating incompetency. As incredible as it may seem, during a period of about six years, the board has received and disbursed \$881,000,000 and yet has never provided itself with books of account, its records consisting merely of deposit slips, check stubs, and correspondence. It recently took the Treasury Department, employing 10 accountants and working double shift, from March 12 to about May 1, or nearly seven weeks, to compile a mere statement of receipts and expenditures from the farm-board records. Moreover, the accountant in charge of this work testified that he would have been unable to make up the statement from the records afforded him without the aid of the memories of several of the employees of the board.

(4) The unlawful withdrawal of funds from the United States Treasury and the disbursement of such funds without the authority of Congress. Between \$65,000 and \$70,000 have been drawn from the Treasury without authority and expended for various purposes. An unofficial opinion of the Comptroller General declares these funds to belong to miscellaneous receipts of the Treasury. Moreover, under date of May 13, 1923, the Undersecretary of the Treasury has called upon the farm-loan commissioner for reimbursement of a part, if not all, of this money immediately.

(5) Looseness and neglect in the disbursement of funds. Public moneys have been expended without vouchers or receipts. Mr. Lobdell, the fiscal agent, admitted on the stand that he could not tell to whom money had been paid that had been secured by cashing certain checks. He also admitted that he had received certain sums of money for the expenditure of which he could account only in a general way.

(6) Misapplication of public funds. On September 22, 1922, Mr. Lobdell, as farm loan commissioner, opened an account with the Franklin National Bank by depositing \$5,000 drawn from the Federal Treasury, part of the \$65,000 to \$70,000 referred to above. From that time down to February 16, 1924, further similar deposits in this bank had been made, totaling more than \$37,000. This account was drawn on from time to time by the farm loan commissioner, so that the balance remaining in the bank on the last day indicated—February 16, 1924—was \$86.53. The deposit in this bank was treated as a sort of petty cash fund, except that the expenditures therefrom were made without vouchers or receipts. Presents to employees were made from this fund, likewise what must be considered either loans or advances to employees. In another case one of these nominees had succeeded in drawing some \$2,000 from the Treasury on account of salary for which Congress had made no appropriation. As a consequence he was called upon to put it back, a simple matter, as Farm Loan Commissioner Lobdell gave him a check on this fund, so that he could put it back in the Treasury without taking it out of his own pocket.

Mr. President, as I have indicated, I think there ought to be an investigation of the Farm Loan Board, a thorough investigation, in fact, of the whole farm loan system. Therefore I have introduced and ask consideration of the following resolution:

Resolved, That the President of the Senate pro tempore is authorized to appoint a special committee of three Members, which shall investigate the Federal farm loan system and the Federal Farm Loan Board and report its findings, together with recommendations for corrective legislation. The committee is authorized to hold hearings, to sit during the sessions and recesses of the Sixty-eighth Congress, and to employ a stenographer at a cost not to exceed 25 cents per hundred words. The committee is further authorized to send for persons and papers, to require by subpoena the attendance of witnesses, the production of books and documents, to administer oaths, and to take testimony.

The expenses of the committee shall be paid from the contingent fund of the Senate.

I move that the Senate now take up the resolution (S. Res. 229) and act thereon.

Mr. EDGE. Mr. President—
The PRESIDING OFFICER (Mr. Jones of New Mexico in the chair). Does the Senator from Nebraska yield to the Senator from New Jersey?

Mr. EDGE. I understood the Senator had yielded the floor with the making of his motion.

Mr. HOWELL. I make the motion that the resolution be now taken up for consideration.

The PRESIDING OFFICER. The Chair desires to state that inasmuch as the resolution provides that the expenses shall be paid out of the contingent fund of the Senate, under the statute relating to that subject the resolution must be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. HEFLIN. I suggest to the Senator that that might be done, and the committee could report it back in the morning.

Mr. HOWELL. I inquire which Senator is chairman of that committee?

The PRESIDING OFFICER. The junior Senator from New Hampshire [Mr. Keyes] is chairman of the committee.

Mr. HEFLIN. I see the junior Senator from New Hampshire on the floor.

Mr. HOWELL. Of course, I think this is a matter of tremendous importance.

Mr. EDGE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New Jersey will state it.

Mr. EDGE. As I understand the parliamentary situation, the unfinished business is Senate bill 1898. The motion made by the Senator from Nebraska is therefore not in order.

The PRESIDING OFFICER. The Chair will further state that even the introduction of the resolution will have to be by unanimous consent.

Mr. EDGE. I was just going to raise the point that the unfinished business is before the Senate; that the introduction of the resolution at this time would require unanimous consent; and that it will be necessary under the circumstances to obtain that consent.

Mr. KING. Mr. President, will the Senator from Nebraska yield to me?

Mr. HOWELL. I yield.

Mr. KING. May I have the attention of the Senator from New Hampshire [Mr. Keyes], chairman of the Committee to Audit and Control the Contingent Expenses of the Senate? My information is that a resolution similar to the one which is now offered by the Senator from Nebraska has been pending for some time before the committee of which the Senator from New Hampshire is chairman. May I inquire of the Senator whether there is any probability that the resolution will be reported out by the committee?

Mr. KEYES. I understand, though I am simply speaking from memory, that the Senator from Nebraska introduced a resolution five or six days ago, and that it was referred to the Committee to Audit and Control the Contingent Expenses of the Senate. I was advised a day or two later that the Senator from Nebraska had introduced another resolution in exactly the same words and requested that it lie on the table. That is the resolution to which the Senator from Nebraska has now referred, I suppose. The committee therefore has done nothing whatever about the resolution referred to it and had not been asked to do anything about it.

Mr. KING. If the Senator still permits the resolution to which he has now addressed himself to lie upon the table, will the Committee to Audit and Control the Contingent Expenses of the Senate, at as early a date as possible, act upon the one which is now before the committee, understanding that the Senator from Nebraska permits the other resolution to lie upon the table, expecting some prompt action upon the part of the committee?

Mr. KEYES. Of course, the committee will consider fairly and as promptly as possible any resolution that is referred to it.

Mr. KING. If the Senator from Nebraska will pardon me, of course he knows better what he ought to do than do I, but in view of the statement just made by the Senator from New Hampshire [Mr. Keyes] I think he can rely upon prompt action by the committee on his resolution. I therefore suggest that he allow the resolution for which he has just asked consideration to lie on the table. If the Committee to Audit and Control the Contingent Expenses of the Senate does not promptly report the resolution, he can move to discharge it from the further consideration of the resolution and bring the

resolution to the attention of the Senate, when I am sure action will be taken, one way or the other.

Mr. NORRIS. Mr. President, will the Senator from Nebraska yield to me?

Mr. HOWELL. I yield.

Mr. NORRIS. I should like to suggest to the Senator that if the other resolution, which is now in the hands of the committee, is not the same as this resolution—

Mr. HOWELL. It is identical with it.

Mr. NORRIS. The resolution is identical? Oh, well—

Mr. KING. I had in mind the fact that the resolutions were identical.

Mr. DIAL. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Nebraska [Mr. Howell] has the floor. However, a parliamentary inquiry has been made, and the Chair will listen to it.

Mr. DIAL. I understand that the Senator from Nebraska has asked unanimous consent to introduce a resolution, and I object.

Mr. HEFLIN. No; the resolution has been already introduced.

The PRESIDING OFFICER. The resolution has already been introduced by the Senator from Nebraska, and he now moves that it be taken up for consideration. The Chair has ruled that the resolution can not be considered at this time, because it provides for the payment of expenses out of the contingent fund of the Senate and under the statute would, therefore, have to be referred to the Committee to Audit and Control the Contingent Expenses of the Senate. The Chair further understands that a similar resolution has heretofore been introduced by the Senator from Nebraska and been referred to that committee. Inasmuch as this resolution would necessarily be similarly referred, the Chair suggests that a simplification of the procedure would be for the Senator from Nebraska to withdraw this resolution and await the report of the Committee to Audit and Control the Contingent Expenses of the Senate on the other resolution when it would be in order for consideration.

Mr. HOWELL. Well, Mr. President—

The PRESIDING OFFICER. If the Senator from Nebraska will withdraw his motion and then permit the resolution to lie on the table, that would be the proper procedure, and the Senator would thereby get the matter in proper form from the parliamentary point of view.

Mr. HOWELL. I withdraw my motion.

Mr. DIAL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. DIAL. I do not ask the Senator to yield to me. I thought he had yielded the floor.

Mr. HOWELL. I wish to call the attention of the Senate to Senate Joint Resolution 128, which is lying on the table, and which reads as follows:

Resolved, etc., That no person shall be employed under the Federal farm loan act, approved July 17, 1916, or any amendment or amendments thereof, at a rate of compensation exceeding \$10,000 per annum, on and after the passage of this resolution.

Mr. President, I wish to give notice that at the conclusion of the consideration of the unfinished business I shall seek to bring this joint resolution before the Senate.

Mr. EDGE. Mr. President, several Senators wish to discuss the question which has been before the Senate during the last few hours, so I shall not attempt to speak at length upon the unfinished business at this time, but as I have the floor I wish to make a request.

I ask unanimous consent that the formal reading of Senate bill No. 1898 be dispensed with and that the bill be read for action on the committee amendment.

The PRESIDING OFFICER. The Senator from New Jersey asks unanimous consent that the formal reading of the bill be dispensed with and that the committee amendment be first acted upon. Is there objection? The Chair hears none, and it is so ordered.

Mr. DIAL. Mr. President, we have just listened for several hours to the arraignment by the Senator from Nebraska [Mr. Howell] of the Farm Loan Board. It was suggested to him on yesterday by the able Senator from Virginia [Mr. Glass] that this matter ought to be discussed, if discussed at all, in executive session. However, the Senator from Nebraska, who has stated that he is a friend of the Farm Loan Board, has seen proper to go on and to arraign that board here before the public. The Senator from Nebraska, I repeat, has stated that he is a friend of the system, but, Mr. President, I hope the

system has not many more such friends. It seems to me that if he had had the good of that board at heart, if he had heard of anything wrong going on in connection with its operation or that there were any corrections which ought to have been made, he would have gone to the board and pointed them out. Instead of that, however, he has had that board investigated by the Banking and Currency Committee of the Senate. The investigation required the assistance of 10 employees of the Government for six weeks, and I think it has been stated that they even had to have relays of employees engaged in the investigation. After that long investigation of the system from its inception eight years ago, covering an examination of the receipts and expenditures aggregating over \$800,000,000, the final result is that a report is made which shows that their accounts balance to a cent; yet the Senator from Nebraska wishes to go on now and to have a resolution adopted providing for a further investigation.

The Senator from Nebraska complains of harsh treatment at the hands of the Banking and Currency Committee of the Senate. He has laid the facts before the Senate; but the conclusion that some of us have come to is that the Banking and Currency Committee extended to him every courtesy and gave him every opportunity to bring out any facts that he had against the farm-loan system. It seems to me, after putting the Government to all this expense and harassing the system for all this time, when he is unable to prove wrongdoing in a single instance, he ought now to be satisfied. I hope that no other resolution on this subject that he may offer will be adopted by the Senate.

I firmly believe, Mr. President, in investigating anything that is wrong, in exposing any fraud, and in going to the bottom of any corruption; but when it comes to the point that a committee of the Senate shall be appointed to investigate any and all departments of the Government, I am satisfied that, if we follow such procedure, we will be in session here all the time and no good will ensue, and that, on the contrary, great harm will follow, as it will follow in this instance.

There is no charge, the Senator said, of any fraud or any moral wrong, but it is a mere question of bookkeeping. Mr. President, we all know that even expert bookkeepers differ. If we were to employ one set of accountants they might say that a certain system ought to be adopted, whereas if we employed another set they might claim that the system recommended by the first set was all wrong, and that an entirely different system should be adopted. So there is nothing, as it seems to me, in this instance to investigate. I am satisfied that the board has nothing to conceal from any Senator or from anyone in authority who wants information for legitimate purposes.

Mr. HEFLIN. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Alabama?

Mr. DIAL. I yield.

Mr. HEFLIN. If I heard the Senator from Nebraska correctly when he was reciting the amounts paid out by Mr. Lobbell, in one instance there was paid out \$500 in one week, and, I believe, \$1,000 in another week, and \$1,500 in another week or two. Does not the Senator think that there ought to be an accounting for those large expenditures and that Mr. Lobbell ought to be required to tell the Senate just what he did with that money and all about it?

Mr. DIAL. There was an accounting, Mr. President.

Mr. GLASS. Mr. President, there was a complete accounting. The Senator from Alabama evidently was not in the Chamber yesterday when the statement was made.

Mr. HEFLIN. I did not hear all the discussion yesterday for I was not here during a portion of the debate.

Mr. GLASS. There has been a complete accounting for every cent that was expended to the satisfaction of every member of the Banking and Currency Committee.

Mr. DIAL. Mr. President, there ought to be an accounting at all times; but where would we ever stop if we should undertake to investigate all the departments of the Government all the time? If there is anything wrong and any charge is to be made against any department of the Government it ought to be specified, but no one ought to come here in a muckraking effort to have an investigation because he imagines there is something wrong somewhere or other.

Mr. HEFLIN. I think the departments ought to be so conducted that they would not fear an investigation and that they ought to be ready and willing to have an investigation at any and all times.

Mr. GLASS. That is true of the Farm Loan Board.

Mr. DIAL. The Farm Loan Board has nothing to hide so far as I know; it has nothing to conceal. I am not against

an investigation where an investigation should be had and where it would accomplish good.

Mr. HOWELL and Mr. GLASS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from South Carolina yield; and if so, to whom?

Mr. DIAL. I yield to the Senator from Nebraska.

Mr. HOWELL. I wish to call attention to the fact that a \$1,000 item was one of the next items that I was coming to, but the committee would not allow me to go on with the hearing. There were 212 items in connection with the Franklin National Bank account alone, and just before I got to item 76 I was stopped and was not allowed to go into that item.

Mr. GLASS. Mr. President, will the Senator from South Carolina yield?

Mr. DIAL. I yield.

Mr. GLASS. Mr. President, I assert that the Senator from Nebraska was not stopped at any point in the proceeding. The Senator knows perfectly well that he was told by me and by other members of the committee that if he had any single item at all different in its nature to the items which he had theretofore repeatedly presented, the committee would be very glad to hear him further; but the Senator could not say, or at least did not say, that any item that he contemplated presenting was any different from the items that he had already presented. A member of the committee from Pennsylvania repeated my suggestion that the committee did not care to hear an accumulation of testimony of exactly the same sort. So the Senator from Nebraska was at liberty at any time and at all times to proceed with the inquiry if he had anything beyond mere opinions and inferences to present.

Mr. HOWELL. Mr. President—

Mr. GLASS. He never presented, Mr. President, a specific charge; he never did anything but draw deductions and inferences from his own suspicions.

Now, I wish to present to the Senate a sample of the sort of inquiry that the Senator from Nebraska was presenting to the committee.

The PRESIDING OFFICER. The Chair will state that the Senator from South Carolina has the floor. If he yields to some other Senator for a speech that would be equivalent to yielding the floor. Does the Senator from South Carolina desire to yield the floor?

Mr. GLASS. I suggest to the Presiding Officer that the Chair is totally in error in assuming that I am going to make a speech.

Mr. DIAL. It is perfectly agreeable to me to yield to the Senator for an explanation.

The PRESIDING OFFICER. If the Senator from South Carolina yields for that purpose the Chair withdraws the observation.

Mr. GLASS. What I purposed doing was answering a statement made by the Senator from Nebraska that he was shut off as he was about to present some item of tremendous importance, different from any other item that he had presented theretofore. I want to indicate to the Senate, just in a word, with the permission of the Senator from South Carolina, the character of this inquiry as it was being conducted.

For example, a check was presented covering in the aggregate the items of expenditures, as explained to the committee, of one of these periodical bond issues. That check was made in total to the chief clerk of the board, and this chief clerk would take the sum thus drawn regularly from the bank and expend it among those employees who on this emergency work had worked overtime, night and day. This particular check bore two indorsements—the indorsement of the clerk in whose name it was made and the indorsement of a Mr. Thornberry also. Now, note what happened, and just get a picture of the sort of suspicions and inferences and mere opinions that the committee was expected to sit interminably and listen to:

Senator HOWELL (holding the check in his hand). Mr. Chairman, I examined this check, and there was no Thornberry's signature on it. I examined it. You can see that it is new ink on this check. I want you gentlemen of this committee to look at that check. I examined it personally myself.

A little later on another check was presented at one of these periodical bond-sale activities of the board which also was indorsed by this chief clerk and by Mr. Thornberry. Again the Senator from Nebraska projected a mere inference and a suspicion before the committee, implying—yes, and charging—that the indorsement to this check was a forgery, and that the ink on this check was new.

Senator HOWELL. I want to state again I examined these checks and I examined the check book. I went into this field account and

made notes, and my stenographer sat by me. I would swear that that second name was not on the check.

He again appealed to us to look at the ink, and stated that it was new. Now, what subsequently happened?

Mr. Thornberry was put on the witness stand, and testified that he had indorsed those checks 14 months theretofore with this chief clerk, and stated why he had indorsed them—that the check was drawn on the bank where he kept his account, the officials of which knew him personally well, and did not know this chief clerk, and that he went there with the chief clerk to identify her, and indorsed those checks then.

Mr. President, that is a fair sample of the sort of testimony and the kind of inferences that the Senator from Nebraska presented to the Banking and Currency Committee, apparently with the expectation that we were to sit there interminably and listen to that sort of thing.

Now, just one word more, with the indulgence of the Senator from South Carolina.

For what was the Banking and Currency Committee meeting? It was not meeting for the purpose of investigating the Farm Loan Board, either its receipts or its expenditures or any of its activities. No resolution of the Senate authorized it to meet for any such purpose. The Banking and Currency Committee was in session to determine the personal qualifications and fitness of four nominees to membership on the Farm Loan Board, and yet we were confronted there from day to day with testimony that had no more relevancy to the very purpose for which we were convened than if there were not a Banking and Currency Committee in existence; and the Senator from Nebraska confronted us with every cash entry that had been made by the Farm Loan Board from its institution seven years ago up to the day of the inquiry.

If there is anybody on earth who can tell me that which the Senator from Nebraska never did tell any of us—what relation to the fitness and qualifications of these four gentlemen these cash entries seven years ago had—I should like him to rise here now and tell me. They had no relation whatsoever to the matter with which the Banking and Currency Committee was immediately and directly charged.

Mr. HOWELL. Mr. President—
Mr. GLASS. Yet we were supposed to sit there from day to day and permit the Senator from Nebraska to present charges? Why, no; he has never yet presented a charge. He has said, time and time again, that he did not want to be understood as impeaching the character or the integrity of one of these men. Present what? Present his mere suspicions and inferences, in which not one of the members of the committee participated.

Mr. HOWELL. Mr. President—
The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. DIAL. I yield for a short question—not for a speech. I want to get through. I will yield for a question.

Mr. HOWELL. Very well. I should like to reply to the statement of the Senator from Virginia.

Mr. DIAL. If the Senator will be brief, I shall be glad to yield to him. I do not want to yield the floor. I want to get through.

Mr. HOWELL. Mr. President, the Senator from Virginia [Mr. GLASS] has called attention to an incident that occurred during this examination in which I questioned the signature on the back of a check. The idea of the Senator evidently is to lead the Senate to believe that I am so prejudiced in this matter that I am unduly suspicious.

What could this check incident have to do with the fact that the Farm Loan Board kept no books, and they kept no books for the last year while these four nominees were in office? How could the question of a name on a check have anything to do with the fact that from the Franklin National Bank about \$30,000 has been expended, while these nominees were in office, without any vouchers? How can it have anything to do with the fact that this committee refused to allow me to go into this \$30,000 of expenditures that have taken place while these four nominees were in office?

Mr. GLASS. Mr. President, as a matter of fact, it has nothing to do with any of these imaginary things which the Senator has stated, because they are purely imaginary. They are not facts.

Mr. DIAL. Mr. President, I was not in the Senate all the time yesterday while the Senator from Nebraska [Mr. HOWELL] was making his speech; neither have I been able to be here all the time to-day; and I therefore do not undertake to answer all of his charges. In fact, I think it would be unnecessary to undertake to do so. I want to conclude, and I shall take up only a few minutes longer.

The Senator has arraigned Judge Lobdell here in various aspects. I want to say that, so far as I know, Judge Lobdell is a man of the very highest character, the highest standing, and one of the best-known business men in the United States. It is not my duty to defend Judge Lobdell. He does not come from my section of the country; he does not belong to my political party, but I should be a very poor kind of Senator if I were not to state my views of this distinguished man.

Early after taking my seat I had business dealings with Judge Lobdell, and have been brought in contact with him often ever since I have been in Washington, some five years. I want to say that I have met no representative of any department of the Government who stands higher in the estimation of the people who know him than does Judge Lobdell. He impressed me as a man of sincerity, of ability, of conscientiousness, and who desired to do the very best that could be done for the institutions under his charge. He is well posted in the financial world. He disposed of some \$200,000,000 of bonds of these various banks per annum, and many hundreds of millions have been disposed of on advantageous terms to the banks, and the farmers of the country get the benefit of that.

My friend from Nebraska [Mr. HOWELL] made the statement yesterday that Judge Lobdell's salary was paid out of the Treasury. Mr. President, that statement is incorrect. It shows that he is not posted about what he is talking about. Judge Lobdell's salary is paid by the individual banks of the country, and does not come out of the Treasury; but that is not very material.

Mr. HOWELL. Mr. President, may I ask the Senator a question?

Mr. DIAL. I yield; yes.

Mr. HOWELL. Have the farm-loan banks contributed one dollar to the payment of Judge Lobdell's salary?

Mr. DIAL. Every dollar since he has occupied this new position.

Mr. HOWELL. Not one dollar.

Mr. DIAL. I beg the Senator's pardon, then.

Mr. HOWELL. Not an assessment has been made on the banks to pay Judge Lobdell. The money has come out of the Treasury fund entirely.

Mr. DIAL. My information, then, is in error. I still maintain that the Senator's information is wrong. My information is that these 12 banks contribute their pro rata share toward Judge Lobdell's salary and not a dollar of it is paid out of the Treasury.

That brings up a point regarding the Secretary of the Treasury. I am not a defender of the Secretary of the Treasury, but this is the first time I have ever heard of him being accused of needing a guardian.

The Senator accuses the board of carelessness and of loose conduct and all kinds of unbusinesslike methods. As a matter of fact, when a bond issue is disposed of some money is held until the expenses have been liquidated; then the transaction is closed. The member banks are satisfied. They investigate the vouchers, they audit the vouchers, they approve of the payments, and the matter is closed, and nobody cares to go back behind it, so far as I know, except some one who is instigating the Senator from Nebraska—some disgruntled employee, perhaps, around here taking up the time of the Senate and causing expense to the taxpayers of the United States in our going back to investigate something where there is nothing to investigate.

Mr. HOWELL. Mr. President—

The PRESIDING OFFICER (Mr. McNARY in the chair). Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. DIAL. I yield.

Mr. HOWELL. I would like to ask the Senator if he has ever seen an audit of any of the accounts of the Farm Loan Board by the presidents of the banks?

Mr. DIAL. No; I have not had any occasion to see any.

Mr. HOWELL. I will state for the Senator's information that there is no such audit extant.

Mr. DIAL. Mr. President, the Senator from Nebraska speaks in great suspicion of a little account down here at some bank in the city of Washington. I would like to know where this board would keep its accounts except in some bank. I confess that my experience with the Treasury is limited, but I do not presume the Treasury of the United States is prepared to carry a meal account for the Farm Loan Board or any other institution, to pay checks for meal tickets or automobile hire or something like that.

Mr. HOWELL. Mr. President—

Mr. DIAL. I will not yield now. My understanding is that the Secretary of the Treasury is not prepared and would not

want to handle these accounts, and has no way of turning the vouchers back. Therefore, instead of this board being condemned for having an account in some bank in Washington, I do not see how they could carry on their business without having an account in Washington.

Mr. HOWELL. Mr. President—

Mr. DIAL. I yield now.

Mr. HOWELL. Is the Senator aware of the fact that all of these expenses were drawn from the Treasury formerly on Treasury checks, until September 22, 1922; that the total amount that has been drawn amounts to between \$65,000 and \$70,000, and that only \$37,000 has been drawn from outside banks? In other words, they could have continued to deal with the Treasury just as they always had dealt with the Treasury, but they wanted this account because it was handier.

Mr. DIAL. I presume they did, and they should have credit for that. I presume that is satisfactory to everybody in the United States except the Senator from Nebraska.

Mr. President, that shows the folly of the Senate trying to go into the details of every department of the Government. We would be here until the year 2000 if we should allow propositions similar to this to obtain. They had a little account payable for current expenses. Any bank could return the checks, and the accounts would balance. What criticism could be made of that? I presume if the Treasury discontinued the custom, it was because they got tired.

There has also been a great fuss made here about some little accumulated interest between the Treasury and the bank. It seems to me they are competent to settle that matter, instead of bringing it here for the attention of the Senate. It is a question we are not able to solve.

Mr. President, as the Senator from Virginia said, the account balanced to the cent, and satisfied every member of the Banking and Currency Committee that everything was all right, and it does seem to me that it ought to satisfy everybody else. If my distinguished friend from Nebraska was dissatisfied with that committee, he could have moved in the Senate to have the committee discharged, and could have brought the matter up before another committee or before the Senate, or could have had some other disposition made of the matter.

Mr. friend referred yesterday to my distinguished fellow citizen and fellow townsman, ex-Governor Cooper, of South Carolina, who is president of the board at this time. I could not hear the reading of all the letter, and I did not get the exact gist of some little difference of opinion between the Undersecretary of the Treasury and Governor Cooper, but I do not know that that was in any way important.

I do want to say this in behalf of Governor Cooper, that he was raised in my county on a farm. I knew him when he was a little boy, and I have known him ever since. The people of South Carolina honored him by giving him the highest position in the State at their disposal, to wit, the governorship, and I have yet to hear anyone breathe a breath of suspicion against Governor Cooper. He is simply incapable of doing anything wrong or crooked, or anything that would cause any just criticism at the hands of any well-posted man in the United States.

I know the other members of this board pleasantly, not intimately, however; but I have made some investigations, and I am glad that even the Senator from Nebraska has nothing so say against their honesty, against their integrity, and against their standing. He only criticizes some little irregularities in bookkeeping.

This matter should not have been discussed here in public, to go out and injure this great system which we have been trying to build up, a new system, a system that has enemies from without, and which should have no enemies from within.

I am satisfied that my good friend from Nebraska has been misled by some disgruntled person who has some grouse against the board, or against some member of the board, or against the system, and when the Senator fully posts himself he will see that there is nothing to investigate, he will know there is nothing wrong, and we may hope this great system may go on to the great prosperity to which it is entitled.

SENATOR BURTON K. WHEELER

Mr. STERLING obtained the floor.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNARY in the chair). The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Bayard	Brookhart	Bursum
Ashurst	Borah	Broussard	Cameron
Ball	Brandegee	Bruce	Caraway

Copeland	Harrell	Moses	Spencer
Curtis	Harris	Neely	Stephens
Dale	Hedlin	Norbeck	Sterling
Dial	Howell	Norris	Swanson
Edge	Johnson, Calif.	Oddie	Trammell
Edwards	Johnson, Minn.	Overman	Underwood
Elkins	Jones, Wash.	Pepper	Wadsworth
Ferris	Kendrick	Ralston	Walsh, Mass.
Fletcher	Keyes	Ransdell	Walsh, Mont.
Frazier	King	Reed, Pa.	Warren
George	Ladd	Robinson	Wheeler
Gerry	Lodge	Sheppard	Willis
Glass	McKinley	Simmons	
Gooding	McNary	Smith	
Hale	Mayfield	Smoot	

The PRESIDING OFFICER. Sixty-nine Senators having answered to their names, a quorum is present.

Mr. ASHURST. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Arizona?

Mr. STERLING. I yield.

Mr. ASHURST. I ask unanimous consent to have printed in the RECORD an article published in the New Republic of May 21, 1924, entitled "Hands off the investigations." I also ask to have printed in the RECORD an editorial published in the Christian Science Monitor of May 15, 1924, entitled "Senator WHEELER's vindication."

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

[From the New Republic]

HANDS OFF THE INVESTIGATIONS

So grave were the first disclosures made by the WALSH and WHEELER investigations that the immediate response of the country was profound humiliation. Only the recently disavowed organ of the Republican National Committee ventured brazenly to attack the expositors and minimize the exposure. But as the effect of the impact of these disclosures wore off, partly because of the very extent of the revelations, public preoccupation with private worries and bewilderment over the variety of complicated issues were exploited by various powerful forces, from a variety of motives ranging from the lowest to moral confusion, all with a view to discrediting investigation and arresting its further progress. The gathering forces against the investigations and the investigators reached their culminating reinforcement in the support of a President who, while professing a desire to vindicate the law, assumes that law and order are bounded by the Penal Code, and helped to create an atmosphere in which necessary investigation could not thrive. The President's lead was promptly followed by such guardians of the public interest as Judge Gary. The most disheartening experience of the Ballinger investigation repeats itself; the condemnation of the most powerful is reserved for the expositors and not for the exposed.

Emboldened by the successful offensive against the pending investigations in Washington, various suggestions are afloat with a view to curbing future WALSH and WHEELER investigations. Professing, of course, that wrongdoing, impropriety, and unwholesome standards in public life should be exposed, critics, who have nothing to say for the astounding corruption and corrupting soil which have been brought to light, seek to divert attention and shackle the future by suggesting restrictions in the procedure of future congressional investigations. Not only do members of the bar thus propose to hamper a power which has been exercised since 1789, but even one of our financiers, who is a self-appointed mentor for all our national ills, urges curbs upon Congress drawn from his deep study of comparative parliamentary procedure.

A proper judgment of the WALSH and WHEELER investigations involves a consideration of (1) the situation which confronted them, (2) their accomplishments, (3) their alleged abuses. Only after such consideration can we properly assess (4) the pertinence of any formal change in the procedure of congressional investigation.

(1) Situation confronting WALSH and WHEELER: When the Harding administration began—in fact preceding it—the air was full of indications of the sinister influences that were to prevail and were prevailing in the conduct of some of the vital departments of the Government. Around Fall and Daugherty suspicions steadily clustered. Washington was thick with talk, and not the talk of irresponsibles. As time went on the intimations became more and more outspoken; but every influence of authority, of powerful social connections, of the press, the whole milieu of officialdom in Washington was on the side of those in power and against disclosure and truth telling. More than that, when things could no longer be stemmed and an investigation of Daugherty's administration was entered upon by a House committee, the forces of wrongdoing rendered such an investigation abortive and futile, and thereby served to discredit further accusations and their investigation.

For nearly two years the efforts to uncover wrongdoing in the disposal of our public domain were hampered by every conceivable obstruction on the part of those in office and those influential out of

office; involving members of the President's official entourage and including perjury before a Senate committee on the part of one of the closest friends of the late President and one on close terms with the present Executive. The vast investigatorial agencies of the Government not only failed to cooperate with the efforts to unearth wrongdoing; they positively sought to frustrate congressional activity.

Governmental machinery, prestige, wealth, agencies of publicity—all were for covering up things. No one who has not had some experience of the power the Government can exert is able to realize the tremendous pressure against which WALSH and WHEELER were contending. Both the hostile resources and the inertia which they had to overcome were incredible. The odds which they thus encountered must be felt, and not merely intellectually admitted and lightly dismissed.

(2) Accomplishments of WALSH and WHEELER: These are beyond question. The bills filed by the Government against the Sinclair and Doheny leases are based upon the findings of the Walsh committee, namely, corruption and conspiracy rendered possible through Secretary Fall's corruption and Secretary Denby's guileless incompetence; the disgrace of, and pending grand jury inquiry into, a recent member of the Cabinet—Fall; the resignation of another member through incompetence—Denby; the dismissal of a third member—the Attorney General—because of an enveloping, malodorous atmosphere.

It is safe to say that never in the history of this country have congressional investigations had to contend with such powerful odds, never have they so quickly revealed wrongdoing, incompetence, and low public standards on such a wide scale, and never have such investigations resulted so effectively in compelling correction through the dismissal of derelict officials. All this, it must be remembered again and again, was done by Congress against obstructing executive departments and, to put it mildly, unassisted by a President who, unlike Roosevelt, is not a crusader against wrongdoing.

(3) Alleged abuses: One would like to have a bill of particulars of these alleged abuses. Objection is frequently taken against irrelevant, unfair, and unsubstantial charges and to the character of some of the witnesses. It is not easy to be patient with such an attitude. What were the irrelevant charges before the Walsh committee, and what were the improprieties in pursuing those charges? Certainly Senator WALSH has established all the charges surrounding the oil leases up to the hilt. Objections are made to the testimony centering around alleged prenomination and preselection affairs in 1920. Surely it was relevant to ascertain whether interests were on the lookout to put into the Department of the Interior a man who, honestly or dishonestly, held one attitude rather than another toward our natural resources. Necessarily much of this was hearsay and gossip. Nevertheless there emerged definitely the fact that Hamon spent a huge sum of money for campaign purposes. If these aren't "leads" properly to be pursued, then we had better frankly admit that the power of congressional investigation is a sham and not an effective instrument for ventilating issues for the information of Congress and of the public.

What are the specific objections to be made against the hearings conducted by Senator WHEELER? Of course the character of the witnesses in many instances was disreputable. It is of the essence of the whole Daugherty affair that the Attorney General of the United States was involved in questionable association with disreputable characters. It is naively suggested as to these individuals that "they are not competent witnesses. But they are exhibits." But in order to be exhibits they had to be witnesses. This is the kind of hairsplitting that has for decades been attacked as a disgrace to American criminal procedure. In suggesting that WHEELER's witnesses were not competent witnesses but merely "exhibits," perhaps all that was intended was that Senator WHEELER should have preceded the calling of each one of his disreputable witnesses by a speech stating that they were disreputable. Surely this is a naive suggestion. It is difficult at best to get witnesses to talk. This criticism is familiar to everyone who has ever had anything to do with criminal prosecutions, namely, an attempt to divert attention from the misconduct of the defendant to the character of the witnesses against him. Of course the character of a witness is a relevant item.

As to Daugherty, it was a damning item. But the testimony of such people is not at all incompetent, and their character, as the New York World pointed out in an editorial on April 24, may be conclusive testimony on the issue of the fitness of a man to be Attorney General of the United States. If by the witnesses which Senator WHEELER produced he was able to furnish a "living demonstration of the atmosphere which prevailed in and around the Attorney General of the United States," how possibly could that conclusion have been demonstrated except in the way in which Senator WHEELER demonstrated it? Eminent lawyers might have done it a little differently, but the chances are very strong that they wouldn't have done it at all. It requires pertinacity and high indifference to the winds that blow to drive through the obstacles which faced Senator WHEELER. The performance of such a man in such a situation can not be finely weighed by a distant onlooker, after the event, on an apothecary's scale. We have clear indications as to how a "better lawyer than Senator WHEELER" would have dealt with the situation. The indications are

furnished by the attitude of Senator PEPPER; they are furnished by the supine silence of the bar before Senator WHEELER began, for from the time of his appointment as Attorney General lawyers widely knew Daugherty's unfitness for the post; they are revealed in the criticisms by the bar, not of Daugherty but of his exposé, after the first flicker of indignation over the disclosures had subsided.

(4) Revision of procedure of congressional investigations: Nothing in the experience of the Walsh and Wheeler investigations reveals the need of changing the process or confining the limits of congressional investigations. The proper scope and methods of procedure appropriate to congressional investigations depend on the conception of the part they play in enabling Congress to discharge its basic duties. This has been nowhere better expressed than by Woodrow Wilson in his Congressional Government:

"It is the proper duty of a representative body to look diligently into every affair of government and to talk much about what it sees. It is meant to be the eyes and the voice and to embody the wisdom and will of its constituents. Unless Congress has and uses every means of acquainting itself with the acts and the disposition of the administrative agents of the Government, the country must be helpless to learn how it is being served; and unless Congress both scrutinizes these things and sifts them by every form of discussion, the country must remain in embarrassing, crippling ignorance of the very affairs which it is most important that it should understand and direct. The informing function of Congress should be preferred even to its legislative function."

Undoubtedly the names of people who have done nothing criminal or wrong, or nothing even offending taste, perhaps, have been mentioned in connection with these investigations.

A number of such instances appeared in connection with "Ned" McLean's name. All those references are pertinent in showing the ramifications of McLean's influence in official Washington. Also the names of counsel were mentioned who have had dealings with the Department of Justice which were wholly proper. But where so much that the Department of Justice was doing under Daugherty was not innocent it is highly important that even innocent transactions in the general field of fraud and suspicion be explained in order to separate the sheep from the goats. The question is not whether people's feelings here and there may be hurt or names "dragged through the mud," as it is called. The real issue is whether the danger of abuses and the actual harm done are so clear and substantial that the grave risks of fettering free congressional inquiry are to be incurred by artificial and technical limitations upon inquiry. Any quantitative and qualitative judgment of what WALSH and WHEELER were up against, what they produced and how they produced it, leaves the experienced and disinterested mind, duly regardful of the investigating duties of Congress, wholly without justification for changing congressional procedure.

It must be remembered that our rules of evidence are but tools for ascertaining the truth, and that these tools vary with the nature of the issues and the nature of the tribunal seeking facts. Specifically, the system of rules of evidence used in trials before juries "are mainly aimed at guarding the jury from the overweening effect of certain kinds of evidence." That system, as pointed out by Wigmore, "is not applicable by historical precedent or by sound practical policy" to "inquiries of fact determinable by administrative tribunals." Still less is it applicable to inquiries by congressional committees. Of course, the essential decencies must be observed, namely opportunity for cross-examination must be afforded to those who are investigated or to those representing issues under investigation. Despite Daugherty's statement to the contrary, that opportunity has been scrupulously given by the Brookhart committee.

It must be remembered that in various fields there is no legal protection against harm due to unfettered speech. The only safeguards are those secured by social and moral pressure. Thus the immunities enjoyed by judges and legislators for anything said by them as judges and as legislators are founded on deep experience. So also the abuses of the printing press are not sought to be corrected by legal restriction or censorship in advance, because the remedy is worse than the disease. For the same reason congressional inquiry ought not to be fettered by advance rigidities, because in the light of experience there can be no reasonable doubt that such curtailment would make effective investigation almost impossible.

Our criminal procedure has been constantly under fire by the legal profession, from Chief Justice Taft down, because of its self-defeating technicalities. In a report to the American Bar Association vigorous demand has recently been made for the liberalization of rules of evidence and procedure in criminal cases. Taken in connection with the proposal to curb the investigating powers of Congress, what is urged, in effect, is that we abandon the technical limitations which have been established to protect men from being sent to jail too readily, but introduce them into a field where they have never been resorted to and where they are wholly out of place, namely, in the exercise of the informing function of Congress.

A good deal must be left to the standards which Congress imposes upon itself and its committees; a good deal must be left to the duty of

newspapers to report fairly and not sensationally, and to interpret wisely; a good deal must be left to the good sense of people.

In conclusion, there is no substantial basis for criticism of the investigations conducted by Senator WALSH and Senator WHEELER. Whatever inconveniences may have resulted are inseparable incidents of an essential exertion of governmental power, and to talk about these incidents is to deflect attention from wrongdoing and its sources.

The procedure of congressional investigation should remain as it is. No limitations should be imposed by congressional legislation or standing rules. The power of investigation should be left untrammelled, and the methods and forms of each investigation should be left for determination of Congress and its committees as each situation arises. The safeguards against abuse and folly are to be looked for in the forces of responsibility which are operating from within Congress and are generated from without.

FELIX FRANKFURTER.

[From the Christian Science Monitor, May 15, 1924]

SENATOR WHEELER'S VINDICATION

The report of the senatorial committee which has been inquiring into the circumstances attendant upon the indictment of Senator WHEELER, of Montana, constitutes a complete vindication of the accused Senator. It does not, however, deal sufficiently with the phase of that attack upon the Montana Senator which is of the utmost importance. Mr. WHEELER was conducting an investigation into alleged irregularities and corruption existing in certain executive departments of the Government. The committee of which he was the head was bringing to light, in a way that was convincing, evidence which affected very materially men of eminence under this administration and prominent figures in the Republican Party organization. Suddenly he was indicted in his home State on charges which a Senate committee now declare to be wholly without foundation. Evidence was presented to the committee which investigated the circumstances of this indictment, that witnesses before the grand jury in Montana were employees of the Republican National Committee and of the Department of Justice. It was shown, to the satisfaction of the unprejudiced mind at any rate, that the attack upon Senator WHEELER at his home was made through political agencies, by the active agents of the Republican Party organization and with the aid of employees of two executive departments.

In brief, it was shown to this committee that there was more than a reasonable suspicion that the agencies of the great Federal Government of the United States had been freely employed to "frame up" this United States Senator, to block him in the discharge of his duties, and to render nugatory all that he had been doing in the way of uncovering corruption in executive departments.

The committee, apparently, is content with reporting a vindication of Senator WHEELER, but who is to vindicate the politicians who used the agencies of two executive departments for his injury? It is to be hoped that Senator BORAH in presenting the committee report will address himself somewhat to this question.

Mr. STERLING. Mr. President, I desire to speak upon the majority report and upon the views of the minority in the matter of the investigation of the charges against Senator WHEELER. Let me begin with an excerpt from the minority report. The report reads in part as follows:

In the face of and contrary to what is believed to be sufficient evidence at least to warrant the action of the grand jury, the majority has specifically and definitely found that Senator WHEELER has not committed any act in violation of law. In doing this the majority has encroached upon the functions of the judicial branch of our Government. Their conclusions prejudice the issue made by the pending indictment and a plea of "not guilty" which it is assumed will be entered; and to this extent the majority report obstructs and interferes with the due administration of justice. In the face of the majority report, which will doubtless be given wide publicity in Montana, how can the Government hope to secure an unprejudiced jury to try the case? How can respect for the courts be maintained if their hands are to be tied and their freedom of action embarrassed by the unwarranted interference of a coordinate branch of the Government?

Mr. President, I am inclined to make that statement from the minority report as a kind of text for what I may say to-day. Of course, I shall make some reference to the evidence, from which the Senator from Idaho [Mr. BORAH] read at considerable length in his address on yesterday.

I can find no warrant in law or under the Constitution of the United States for this proceeding. Senator WHEELER had, so far as the record shows, been duly indicted for an offense against the United States by a Federal grand jury in Montana. That indictment is pending. So far as the record is concerned, no effort has been made and no proceedings have been taken for the purpose of setting aside that indictment.

A word as to the authority of the Senate in regard to its membership. It is provided in section 5 of Article I as follows:

Each House shall be the judge of the election, returns, and qualifications of its own Members, and a majority of each shall constitute a quorum to do business, but a smaller number may adjourn from day to day and may be authorized to compel the attendance of absent Members in such manner and under such penalties as each House may provide.

The pertinent part of this, of course, is the very first clause, that "each House shall be the judge of the election, returns, and qualifications of its own members." What are the constitutionally prescribed qualifications of a Member of the Senate? They refer to age, they refer to citizenship, they refer to inhabitancy. Is he 30 years of age? Has he been nine years a citizen of the United States? Has he been a resident or an inhabitant of the State from which he is chosen for a period of one year before he was chosen? Those are the three qualifications upon which the Senate undoubtedly has a right to pass.

One further qualification may be involved in the word "election" and in the right of the Senate to be the judge of the election and returns of elections of its Members. The election of its Members, it may be said, or of any Member, may have been accomplished through fraud and corruption. The Senate, of course, would refer a charge of that kind to its Committee on Privileges and Elections, and it would be determined from the report of that committee or by the action of the Senate upon the report of the committee as to whether the Member was disqualified because of the use of fraud and corruption in securing his election.

So, Mr. President, I see no constitutional authority for this proceeding, a proceeding upon the part of the Senate to determine the guilt or innocence of a Senator who has been lawfully charged with having violated a statute of the United States by a grand jury and whose case is pending in the court where the indictment was found. True, here is another clause of the Constitution that might possibly be invoked by those who entertain another view:

Each House may determine the rules of its proceedings, punish its Members for disorderly behavior, and, with the concurrence of two-thirds, expel a Member.

I do not believe that it will be contended for a moment that this provision of the Constitution applies to this case or to any like case. The behavior here involved can not be such as is contemplated by the term "disorderly behavior" in the Constitution. An act committed by the Senator, this or any other Senator, outside of the Senate of the United States, and involving other conduct quite apart and distinct from his conduct here in the Senate, can not be disorderly behavior within the meaning of the Constitution.

It is said that with the concurrence of two-thirds the Senate may expel a Member. But what principle would be infringed if, after an indictment has been returned by a grand jury, the Senate of the United States should proceed to act upon that, determine the guilt or innocence of the Member, and expel him before trial by the petit jury having jurisdiction in the case? I contend that such a course would be violative of the principle which recognizes the three several departments of the Government—the executive, the judicial, and the legislative. Already the judicial department of the Government, through the finding of the indictment, has jurisdiction in this case and of the alleged offense upon the part of Senator WHEELER.

As I have tried to show in a brief allusion to that matter in the minority report, to now summon before a committee of the Senate, appointed to investigate this case, the witnesses for the prosecution in advance of the trial by the petit jury in Montana would be to give the Senator from Montana an advantage which no other person, no other citizen of the United States, would have. The effect of publishing the report of the majority in this case, circulated, as it will be, throughout the State of Montana, read by every qualified jurymen probably within that State, can be nothing else than to prejudice in advance of trial public sentiment against the Government and in favor of the defendant who is charged.

Mr. President, I think this case is absolutely without parallel in our legislative history. There is nothing like it. It is hoped that there will be nothing like it in the future. I hope now that Senators will rid themselves, if they have any feeling of that kind in advance, of all partisan and all personal feeling and be just as impersonal as they possibly can be in the consideration of this question and the fundamental principles involved.

Mr. GEORGE. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Georgia?

Mr. STERLING. I yield.

Mr. GEORGE. I would like to inquire of the Senator if, in his judgment, the Senate exceeded its authority in investigating the truth or authorizing the investigation of the truth of the charge made in the indictment? Where does the Senator find his authority for investigating the grand jury and determining whether it acted on probable or improbable cause?

Mr. STERLING. I have expressed myself before on that, I will say to the Senator. I expressed doubt of our right to go to that extent; but I conceded that much that we might go to that extent; that since it had been charged by Senator WHEELER so vigorously that this was a frame-up and that the Government officials and prosecuting officers had been influenced by improper motives, I said we will go at least that far to determine whether such are the facts.

Mr. GEORGE. I fail wholly to see how the Senate of the United States could investigate any grand jury sitting in any State to determine whether or not that grand jury acted on probable or improbable cause.

Mr. STERLING. The charge was specifically made by the Senator from Montana that this was a "frame-up" and that the Government officers instituting the prosecution were governed by improper motives.

Mr. GEORGE. Yes; I understand that.

Mr. STERLING. I thought the evidence taken before the committee might develop the fact as to whether or not that was true.

Mr. GEORGE. I am curious to know how the Senator could determine whether or not it was a "frame-up" if he were not going into an investigation as to the facts in the case.

Mr. STERLING. The facts to that extent I was willing to have presented and discussed and considered.

Mr. GEORGE. The Senator certainly knows that even perjured testimony, if the grand jury were acting in good faith, might afford probable cause for its action.

Mr. STERLING. That may be true; and I think, perhaps, the way would have been left open before the committee to show that the testimony that was given before the grand jury was perjured testimony. I do not know that I should have objected to that.

Mr. GEORGE. That seems to me Mr. President, to be going into the merits of the charge; and I do not see how the Senator can escape that conclusion.

Mr. STERLING. No; it is not going into the merits of the charge exactly to show that some witness had perjured himself in giving testimony.

Mr. President, there is a case from which I want to read and read liberally. It is the case of Burton against The United States, which is found in Two hundred and second United States Supreme Court Reports. There is more of a parallelism between that case and the case at bar, if I may use that expression, than we are apt to think on first blush, both in regard to the law and in regard to the evidence in the case. First, I wish to read from the opinion of the court with reference to the law involved. The statute under which Mr. Burton, who was then a Senator from Kansas, was indicted is substantially the same as the statute here. It was section 1782 modified by the later section 113 of the Criminal Code, to which attention is called in the report.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Virginia?

Mr. STERLING. I yield to the Senator.

Mr. GLASS. May I inquire of the Senator—and I make the inquiry because I am not familiar with the facts—whether or not at the time of his indictment Senator Burton was engaged in any investigation of the Department of Justice?

Mr. STERLING. No; I do not think so. He was indicted, I will say to the Senator from Virginia, for doing some work before the Post Office Department.

Mr. GLASS. But he was not engaged at the time in an investigation involving the integrity of the Department of Justice?

Mr. STERLING. Oh, no. I think I understand what the Senator means now.

Mr. GLASS. I hope so. I try to make myself understood.

Mr. STERLING. Yes; and I understand the insinuation there is in it, I will say to the Senator from Virginia.

Mr. GLASS. There is no insinuation about it at all.

Mr. STERLING. I recall the Senator's intimation yesterday in a colloquy with the Senator from Idaho [Mr. BOBAH], and what was then said about my acting the part of a prosecutor

in this case, and his charge that the Department of Justice—he did not say the Department of Justice but he meant it; he said "one of the executive departments of the Government"—was engaged, as I understood the Senator from Virginia, in practically a blackmailing proceeding.

Mr. GLASS. Yes; but what has that to do with my simple and courteous inquiry of the Senator from South Dakota as to the facts in this case? I do not recall the exact circumstances of the indictment of Mr. Burton, and I wanted to know of the Senator from South Dakota if Mr. Burton was at the time of his indictment engaged in an investigation of the Department of Justice.

Mr. STERLING. On the face of it the Senator's question is fair, and I say, no.

Mr. GLASS. My question is intended to be fair.

Mr. STERLING. I say, in answer to the Senator's question, no.

Mr. GLASS. I merely want to develop the fact.

Mr. STERLING. The court says:

A statute like the one before us has direct relation to those objects and can be executed without in any degree impinging upon the rightful authority of the Senate over its Members or interfering with the discharge of the legitimate duties of a Senator.

The court refers to the statute, the object of which is apparent, although the court discusses it at some length.

The proper discharge of those duties does not require a Senator to appear before an executive department in order to enforce his particular views, or the views of others, in respect of matters committed to that department for determination. He may often do so without impropriety, and so far as existing law is concerned may do so whenever he chooses, provided he neither agrees to receive nor receives compensation for such services. Congress, when passing the statute, knew, as indeed everybody may know, that executive officers are apt, and not unnaturally, to attach great, sometimes, perhaps, undue, weight to the wishes of Senators and Representatives. Evidently the statute has for its main object to secure the integrity of executive action against undue influence upon the part of members of that branch of the Government whose favor may have much to do with the appointment to, or retention in, public position of those whose official action it is sought to control or direct.

The evils attending such a situation are apparent and are increased when those seeking to influence executive officers are spurred to action by hopes of pecuniary reward. There can be no reason why the Government may not, by legislation, protect each department against such evils; indeed, against everything, from whatever source it proceeds, that tends or may tend to corruption or inefficiency in the management of public affairs. A Senator can not claim immunity from legislation directed to that end simply because he is a member of a body which does not owe its existence to Congress and with whose constitutional functions there can be no interference. If that which is enacted in the form of a statute is within the general sphere of legitimate legislative, as distinguished from executive and judicial action, and not forbidden by the Constitution, it is the supreme law of the land—supreme over all in public stations as well as over all the people. "No man in this country," this court has said, "is so high that he is above the law. All the officers of the Government, from the highest to the lowest, are creatures of the law, and are bound to obey it. Nothing in the relations existing between a Senator, Representative, or Delegate in Congress and the public matters with which, under the Constitution, they are respectively connected from time to time can exempt them from the rule of conduct prescribed by section 1782. The enforcement of that rule will not impair or disturb those relations or cripple the power of Senators, Representatives, or Delegates to meet all rightful or appropriate demands made upon them as public servants."

I pass over much of the opinion because I desire to call the attention of the Senate to the language of the court concerning the instructions or the failure to give certain instructions to the jury. I read from page 373.

It is insisted, however, that the court below erred in not directing the jury to acquit the defendant; in other words, that the evidence in support of the indictment was so meager that the jury could not properly have found him guilty of any offense. We can not assent to this view—

There was a great conflict of testimony in this case, but there was enough to send the case, in the opinion of the court, to the jury for decision—

We can not assent to this view. There was beyond question evidence tending to establish on one side the defendant's guilt of the charges preferred against him; on the other side, his innocence of those charges. It will serve no useful purpose to set out all the testimony. It is sufficient to say that the whole evidence has been subjected to

most careful scrutiny, and our conclusion is that the trial court was not authorized to take the case from the jury and direct a verdict of not guilty. That course could not have been pursued consistently with the principles that underlie the system of trial by jury. It was for the jury to pass upon the facts, and, as there was sufficient evidence to go to the jury, this court will not weigh the facts and determine the guilt or innocence of the accused by the mere preponderance of evidence, but will limit its decision to questions of law.

In its charge to the jury the circuit court held the scales of justice in even balance, saying all that was necessary to guard the rights of the accused. Nothing seems to have been omitted that ought to have been said nor anything said that was not entirely appropriate. Upon the general question of guilt or innocence, and as to the rules by which the jury should be guided in their consideration of the case, the circuit court, in substance, said that the indictment was not evidence in any sense, but only an accusation which it was incumbent upon the Government to sustain by proof establishing guilt beyond a reasonable doubt; that the presumption of law was that he was innocent of the accusation as a whole and as to every material element of it, and that such presumption abided with him from the beginning to the end of the trial, and required, at the hands of the jury, an acquittal, unless a careful, intelligent, fair consideration of the whole evidence, attended by the presumption of innocence, produced in the mind, beyond a reasonable doubt, the conviction that the defendant was guilty; and that they, the jury, were the sole judges of the credibility of the witnesses and of the weight to be attached to their testimony.

So, Mr. President, the benefit of every presumption that is in favor of the defendant in a criminal case will be accorded to Senator WHEELER when he appears for trial before the petit jury in the State of Montana—every one of them. What more can he ask than that?

Mr. President, let me submit another view for a moment. We understand how this case stands before the Senate here to-day; but suppose it were the case of a man who was in the minority and that minority was a small minority in the Senate of the United States. He has been indicted in his own home State; he protests his absolute innocence; he says he is not guilty, and he wants to appear before a petit jury in that State and show that he is not guilty; and yet the Senate of the United States, under the influence of cabal or faction or party prejudice, should say to that man, "We are going to try you here; we are going to determine your guilt or innocence here in this forum." That is the situation here; a parallel case, with the shoe, in a sense, upon the other foot.

Mr. HEFLIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Alabama?

Mr. STERLING. I yield.

Mr. HEFLIN. Does not the Senator think that a United States Senator is entitled, as early as possible, to have the body in which he sits as a Member express its opinion as to whether or not he has been slandered in being charged with a criminal offense?

Mr. STERLING. No, sir; not, under the circumstances, to express its opinion as to his guilt or innocence. Let me say to the Senator from Alabama that I shall not object to the Senator from Montana sitting here. I shall not object to his keeping his place in the Senate, having his vote, having his place on committees, doing his work here; but I should expect that he would appear before the trial court, whenever it meets, to defend his case there. I am raising no question as to his right to sit here.

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. I yield to the Senator from Montana.

Mr. WALSH of Montana. Does not the Senator remember that just exactly the case he speaks of was heard and determined in this body, namely, the case of a Member who was indicted and was insisting, before the Senate acted, that he should be tried by a petit jury?

Mr. STERLING. When? Where?

Mr. WALSH of Montana. Right in this body.

Mr. STERLING. When?

Mr. WALSH of Montana. Away back in 1807.

Mr. STERLING. No; I do not remember it.

Mr. WALSH of Montana. I shall be glad to call the attention of the Senator to it.

Mr. STERLING. If the Senator will call it to my attention later, I may have something to say about it.

Mr. HEFLIN. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from South Dakota further yield to the Senator from Alabama?

Mr. STERLING. Yes; I yield.

Mr. HEFLIN. In view of the fact that the main witness on whose testimony this flimsy charge against Mr. WHEELER was founded—

Mr. STERLING. Yes; another prejudgment of the case.

Mr. HEFLIN (continuing). Mr. Coan admitted or stated before the committee that he went up to see what he could find on WHEELER at the instance of the Republican National Committee, and when the question was asked, "Why did you do that?" he said, "Well, WHEELER was attacking the administration, and nobody would get up and reply," and he criticized Republican Senators for not saying something in reply to Senator WHEELER, and he at the instance of the Republican National Committee goes up to see if he can not get something against a Senator who has led a fight to oust a crooked Republican Attorney General—

Mr. STERLING. I do not think that is a fair inference, by any means, to draw from the testimony of Mr. Coan, if the Senator will read that testimony.

Mr. HEFLIN. I read it yesterday.

Mr. STERLING. Let me proceed:

The circuit court was equally direct and impartial in what it said in relation to the particular issues of fact raised by the indictment and evidence. After explaining the nature of the proceeding before the Post Office Department, in respect of which, the indictment alleged, the defendant acted as counsel for the Rialto Co., for compensation received and to be received, and after referring, with some fullness, to the specific charges in the several counts, the court called attention to the questions that were common to all the counts.

And I read this because it is so pertinent and appropriate here.

It said to the jury: "Was the defendant a Senator of the United States for the State of Kansas during the times covered by the transactions under investigation? It is admitted that he was, and therefore you will have no difficulty in determining that. Was the Rialto Grain & Securities Co. an existing corporation carrying on business of the character described during the times covered by the transactions under investigation? There was proof that it was, and no proof to the contrary, so you will have no difficulty with that. Was a proceeding pending before the Post Office Department from November 18, 1902, to March 26, 1903, to determine whether or not a fraud order should be issued against that company?"

That was the matter in which it was charged that Senator Burton had appeared in behalf of the Rialto Co. The question was as to whether a fraud order should be issued by the Post Office Department or not.

If the evidence shows that the officers of the Post Office Department, at the instance of private individuals or otherwise, had before that time set on foot an inquiry to determine whether or not satisfactory evidence existed that the Rialto Grain & Securities Co. was engaged in conducting a scheme or device for obtaining money through the mails by means of false or fraudulent pretenses, representations, or promises, as charged in the indictment; and if the evidence further shows that that inquiry had not been concluded, and was, during the period named, in the charge of any of the officers of the Post Office Department then charged with the performance of any duty in respect of such inquiry—then I charge you that there was such a pending proceeding before the Post Office Department, as described in the indictment, and as referred to in the statutes before mentioned; and also that it was a proceeding in which the United States was both directly and indirectly interested.

Mr. President, it is not necessary now, in the first place, that Senator WHEELER should have appeared before the Commissioner of the General Land Office, Mr. Spry. According to this authority—and I think it is in accord with other authorities—if he appears before any official of that department having charge of or connected with the business about which he wishes to interview the department it is sufficient, and comes within the plain terms of the statute.

In this connection I want to call attention to one thing so frequently alluded to by the Senator from Idaho [Mr. BORAH] in his speech, and I think by the Senator from Arkansas [Mr. CARAWAY] the other day, to the effect that he was not an attorney of record.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Idaho?

Mr. STERLING. I do.

Mr. BORAH. I did call attention to the fact that he was not an attorney of record, but I did not assert that it was necessary for him to be an attorney of record in order to be guilty. That was one of the incidents of the proof. Mr. Spry testified that anyone who appeared there to urge a cause or

to represent a cause was noted upon the docket and noted in the record. I called attention to that fact as an evidentiary fact of the fact that he was not there.

Mr. STERLING. I think the Senator from Idaho knows full well that to make a man liable under this indictment or under this charge he would not need to be an attorney who was registered in the Land Department or in the General Land Office at all.

Mr. BORAH. Oh, no; that was just one of the evidentiary facts in the case—that is all.

Mr. STERLING. I read a little further from this opinion.

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. I yield.

Mr. WALSH of Montana. I have been endeavoring to follow the discussion of the Burton case by the Senator. I have not been able, however, to apprehend exactly what the point is that the Senator is seeking to establish.

Mr. STERLING. The point is simply this—that in order that Senator WHEELER or anybody else might be liable under the charge made, he would not have to be a registered attorney in the Land Department or registered as counsel at all. That was not necessary.

Mr. WALSH of Montana and Mr. ROBINSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from South Dakota yield, and, if so, to whom?

Mr. STERLING. I yield first to the Senator from Montana.

Mr. WALSH of Montana. I was going to remark that I rather think everybody will concede that.

Mr. STERLING. Well, it ought to be conceded.

Mr. ROBINSON. Mr. President, I want to ask the Senator from South Dakota whether anyone has contended that it is necessary for Mr. WHEELER to have been registered in order to have violated the statute against practicing in the department?

Mr. STERLING. No; I do not think anyone has.

Mr. ROBINSON. Then may I inquire of the Senator why he addresses himself in such detail to that proposition?

Mr. STERLING. I am not addressing myself in great detail to it. I will say to the Senator from Arkansas that I mentioned it rather incidentally than otherwise, because it was very appropriate to my remarks here.

Mr. ROBINSON. Of course, I have no objection to the Senator addressing himself in detail to any feature of the subject that he thinks necessary, relevant, and material; but since no issue is made upon the point I wondered just why it is that the Senator finds it necessary.

Mr. STERLING. I think Governor Spry was asked, when on the stand, as to whether Mr. WHEELER was a registered attorney or not, and the Senator from Idaho made mention of the fact, and quoted from Governor Spry's testimony in that regard.

Mr. BORAH. Mr. President, of course I asked Governor Spry if he had been registered as an attorney; and if Governor Spry had answered "Yes; he was registered as an attorney, and appeared as an attorney," I have an idea that the Senator from South Dakota would have gone into great detail on that feature of it.

Mr. STERLING. I probably would. Yes, sir; I probably would have gone into detail about it.

It [the court] then called the attention of the jury to the particular counts charging the defendant with having agreed with the Rialto Co. to receive a stated compensation for services to be rendered in the proceeding before named. Touching those counts, the court said: "Did he make such an agreement?" That he made an agreement of some character to act as counsel for that company for a stated compensation is conceded. The real question is—

I should like to have Senators have this particular proposition in mind with reference to certain features of this case—

The real question is whether that agreement included, among other matters in relation to which he was to serve the company, the proceeding in the Post Office Department before named.

And the question arises in this case—I will say so now—whether an agreement for a retainer of \$10,000 a year included other services than that of attending to certain cases out in the State of Montana and before the State courts of Montana. That is the question.

Mr. ROBINSON. No; if the Senator pleases; that is not the question. The question, according to the rule the Senator has just read, is whether the retainer, the contract of employment,

contemplated services in the matter of the permits referred to in the charge against Mr. WHEELER.

Mr. STERLING. I do not see any particular difference between the statement made by the Senator from Arkansas and my own statement in that regard.

Mr. ROBINSON. If the Senator knows what he said, he is bound to recognize a very material difference. The Senator from South Dakota stated that the real question was whether the employment contemplated other services than representation of Mr. Campbell in the courts of Montana. I say, that according to the rule he has just read the real question is not respecting other services, but whether it contemplated the service referred to in the indictment, namely, in connection with the oil permits.

Mr. STERLING. Let me read this statement again:

The real question is whether that agreement included, among other matters in relation to which he was to serve the company, the proceeding in the Post Office Department before named. Upon that question the evidence is conflicting, and it is your duty to weigh the evidence and determine the truth.

We may concede that it is conflicting in this case.

If, among other things, it was intended by the defendant and the Rialto Grain & Securities Co. in making the agreement that he would, in part consideration for the compensation he was to receive, appear as agent or attorney of such company before the Post Office Department, or any of its officers charged with any duty or having any authority over such fraud order proceedings, for the purpose or with the intent of influencing or obtaining action on their part favorable to such company in said proceeding, whether by way of stopping the investigation or ultimately preventing the issuance of a fraud order, then I charge you that the agreement of the defendant was violative of the statute; otherwise it was not. The offense prescribed in the statute consists in the agreement to receive compensation for the rendition of such services. The mere agreement to render the services is not an offense. It is the agreement to receive compensation for the rendering of them which constitutes the offense.

It should be carefully observed that the actual rendition of services is not a necessary element of this offense. The offense is complete and the defendant's guilt is established if the evidence shows that he made an agreement to render such services for compensation.

I further charge you—

Said the trial court in its charge—

that if he appeared as agent or attorney of such company before the Post Office Department, or any of its officers charged with any duty or having any authority over such fraud order proceeding, for the purpose or with the intent of influencing them in respect of their action in said proceeding, and did then arrange with the department, or any of its officers, that a hearing should be had in respect of such matter, and then also assured the department, or any of its officers, that it was the purpose of said company to comply strictly with the law, and then also arranged that no action should be taken against said company in said proceeding without his first being notified thereof, that that would constitute services within the meaning of the statute.

Mr. President, I have read at length from this case in order that our minds in a way might be prepared for what I believe to be a just and proper consideration of the present case.

Mr. HEFLIN. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Alabama?

Mr. STERLING. I yield.

Mr. HEFLIN. The Senator a moment ago stated that I had not correctly quoted Mr. Coan's testimony. With his permission, I would like to read just a few lines. I read now from the record:

The CHAIRMAN. Who employed you to go to Montana?

Mr. COAN. Mr. Lockwood—George B. Lockwood—of the Republican National Committee.

Senator SWANSON. Is he a member of the Republican National Committee?

Mr. COAN. Yes, sir.

Senator SWANSON. And he is also interested in the National Republican?

Mr. COAN. Yes, sir; he is secretary of the Republican National Committee.

Senator SWANSON. At that time were they interwoven?

Mr. COAN. I do not know the connection exactly. I did not ask him when he gave me the job whether they were interwoven or not.

The CHAIRMAN. You may take the witness.

Senator SWANSON. Did he tell you the purpose for which he employed you?

Mr. COAN. Yes; I was sent out to Montana to investigate some of these stories about Senator WHEELER. WHEELER had been attacking the administration and everybody in public life here, and nobody seemed to be willing to get up and answer him, and they thought it was up to somebody to find out who this fellow was and what he had been doing.

Senator SWANSON. Who thought so?

Mr. COAN. The Republican National Committee.

Senator SWANSON. And they sent you there for that purpose?

Mr. COAN. Yes.

And so forth.

That is what I stated awhile ago more briefly than I have stated it now, and I did so from memory. I ask the Senator now if he does not think I quoted Mr. Coan correctly?

Mr. STERLING. My attention was diverted, and I could not say whether the Senator quoted him correctly or not. I am going to assume that he did for the purpose of the case.

Mr. HEFLIN. I have read it now. It is correct in the hearing, is it not?

Mr. STERLING. I think it is not material to the real inquiry before the Senate, I want to say to the Senator from Alabama, with all due respect.

Mr. HEFLIN. I submit to the Senator that if a Republican National Committee or a Democratic National Committee seeks to get something on a Senator who is leading a fight as a Senator in the interest of good government, and the purpose of getting that something is to cripple him and to smear him, as it has been suggested, if the Senator does not think that is a material thing for the Senate to consider? If committees can do things like that, the time will come when Senators will be afraid to attack crooked officials, backed by big, crooked interests of the country.

Mr. STERLING. Mr. President, after referring to this authority, and at the length I have, I want to give now a little attention to the testimony, and I hope to be reasonably brief in that. I can not help, in reading some of this testimony, from recalling an old quotation from Shakespeare, I think it is, and I think it occurs in Hamlet, to this effect, if not the exact language:

The lady doth protest too much, methinks.

I call attention to the testimony of Mr. Stout, briefly, to two or three things he said. Mr. Stout was not a witness before the grand jury. He is an acquaintance of Mr. WHEELER and of Mr. Campbell, and in the course of the inquiry this occurred:

The CHAIRMAN. Now, you may state the conversation that you had with Mr. WHEELER.

Mr. STOUT. Well, I advised him of Mr. Campbell's desire to retain him—his firm. We talked it over for some time. He stated finally the terms under which he would undertake the case. I told him that that was a matter that would have to be taken up with Mr. Campbell, and that I would telephone him; and during the course of that conversation Mr. WHEELER stated that, of course, he could not represent him except in the State courts there. In other words, assuming that Mr. Campbell might have some business in the public-land department of the Government, he advised me at that time to so advise Mr. Campbell that he would not represent him in anything except the litigation local to Montana and in the State courts.

Mr. President, the one thought I have in mind in hearing testimony of that kind—and there is more like it in the course of the investigation—is this, that the grand jury, with the evidence before it as it was, might have looked upon a statement like that, had Mr. Stout himself been before the grand jury, as a statement somewhat akin to a self-serving declaration, or a statement that was so obviously refuted by other testimony that it should not be regarded.

Again and again throughout this testimony in this very apparent attempt to show that Mr. WHEELER, when spoken to in the first instance in regard to it, said that he could not do anything outside of business in the courts of the State of Montana; and yet, hardly does he reach Washington before he appears in the office of Mr. Booth, the Solicitor of the Interior Department, and is by Mr. Booth introduced to the Commissioner of the General Land Office, Governor Spry, and in the first conversation on that mere introduction he refers to the constituent of his, Mr. Campbell, for whom he desires just and fair treatment. It shows that he was at least interested in Mr. Gordon Campbell's affairs from the time he went there. I will show a little later on the relationship of Mr. Booth to this whole transaction.

Let it be remembered that this evidence shows that there are two indictments now pending in the State of Montana against Mr. Gordon Campbell, indictments for using the mail for fraudulent purposes, and it was in his interest that Mr. WHEELER spoke to Governor Spry, and spoke to Edwin Booth, the solic-

tor of the department; and, mind you, the evidence further shows the intimate friendly relations between Mr. Booth and Mr. WHEELER for years past. I think the testimony shows that their families visited each other soon after Mr. WHEELER's arrival here in Washington.

Turning over a little further, I quote from Mr. Campbell's testimony:

The CHAIRMAN. What was the value of the property covered by these lawsuits? To what extent were your entire holdings involved?

Mr. CAMPBELL. That is a pretty hard matter, Senator. We have quite a large oil field, and it is quite valuable. The area is about four times larger than the Teapot Dome.

Reference is made to Mr. Beaulieu, and the statement is that "Mr. Beaulieu was our title lawyer." If I remember the testimony correctly, Mr. Beaulieu was in the office occupied by Mr. Campbell at Great Falls, Mont.

Further on the chairman called the attention of Mr. Campbell to the conversation that Mr. Stout had had with Mr. WHEELER, and Mr. Campbell said:

I think Mr. Stout came to Great Falls, and we were quite friendly, and I used to talk my matters over considerably with Mr. Stout, being a friend, and I had told him, or practically he knew, about my lawyers, and how some of them had not treated me right, as I called it; so I said: "It is funny that I can not get a lawyer that will stand pat with me and will work for me and make a fight." Most of the lawyers, when I would take them in, would want to compromise with somebody and give them a lot more of my land—compromise instead of making a fight.

No particular point is made in regard to that testimony of Mr. Campbell. Then the following occurred:

The CHAIRMAN. State what it was—the terms.

Mr. CAMPBELL. Mr. WHEELER asked me the character of these suits, and, in fact, I think Mr. WHEELER had known in a general way what they were, and I told him about the suits that were coming up and what I wanted to do in starting some other suits, which we did, countersuits, and I wanted him to handle all of my litigation on these suits, and we talked the matter over from his standpoint, and he informed me—

Here comes a repetition again of the statement made by Mr. Stout, although it does not appear that Mr. Campbell had asked him as to whether or not he would be in a position to take the matters at the land office here and try to adjust the matter of permits. He said:

And he informed me that, of course, he could not do anything for me if any land matter came up. I told him that Mr. Beaulieu was attending to all our land matters; that he was employed for that purpose.

Senator STERLING. Exactly what did you mean by "land matters" there?

Mr. CAMPBELL. Well, I had a permit, and some of our leases were in bad shape. We had to clear the title of them. There were a great many mortgages against this land and liens in different ways that had to be cleaned up.

Where in the the name of common sense would the title be cleared except before the Land Department here in Washington, the department which had jurisdiction over these oil and gas land permits?

Unconsciously, I think, not realizing the effect of it, Mr. Campbell referred, when I asked him what was included in the land matters, at once to the fact that he had a permit.

Mr. HEFLIN. If the Senator will permit me, Mr. Stout and Mr. WHEELER and all testified that they could not represent him in matters—

Mr. STERLING. Oh, I have quoted their testimony, their statements, verbatim as they made them.

Mr. HEFLIN. But the Senator said that the titles would have to be cleared here. That would not make any difference in view of the fact that they stated they could not remain here.

Mr. STERLING. I will show the connection a little later between Mr. WHEELER's activities, if I may so term them, and the matter of permits.

Mr. BORAH. I have only one suggestion to make to the Senator. I hope it will not interfere with his argument. I am afraid the Senator arguing so earnestly here that Mr. WHEELER is guilty will have a bad effect upon the jury in Montana.

Mr. STERLING. I intended at the outset to say that if I seemed to get earnest in the course of the discussion it was perhaps habitual with me, and I did not mean thereby to be personal.

Mr. BORAH. I do not object to the Senator getting earnest. He is more interesting when he is earnest. But the Senator is complaining that we are arguing for Senator WHEELER's inno-

cence, and therefore may prejudice the jury in Montana toward his innocence, while the Senator is arguing that he is guilty, and I am wondering what effect that may have in Montana.

Mr. STERLING. I was thinking about the argument of the Senator from Idaho yesterday, the forceful, able, strong argument which he made for the purpose of showing that Mr. WHEELER could not possibly be guilty. If there is anything to be said in that respect, consider them as in a way an offset.

Mr. BORAH. Very well.

Mr. GLASS. Mr. President—

Mr. STERLING. I yield to the Senator from Virginia.

Mr. GLASS. It just occurred to me that the Senator from Idaho has made no concealment of the fact that he does think that Senator WHEELER is innocent, and his argument confessedly was to convince the Senate of that fact, whereas the Senator now speaking has insisted that he is not after convicting Senator WHEELER and yet the tendency of his whole argument is in that direction.

Mr. STERLING. I hope the Senator from Virginia will take this view of it, that perhaps I am earnest in regard to the inferences which I think from the whole testimony the grand jury might draw, and not as expressing any conviction of mine that Mr. WHEELER is guilty.

Mr. BORAH. As I understand, the Senator is then addressing his argument to the fact that there was probable cause for action upon the part of the grand jury?

Mr. STERLING. Yes; that I think is apparent.

Mr. HEFLIN. In that connection, the Senator is aware of the fact that the district attorney leads in the investigation of cases before the Federal grand jury and that this district attorney was appointed by Mr. Daugherty.

Mr. STERLING. That has an awful significance, that he was appointed by Mr. Daugherty. He might for all that be the best United States district attorney in the whole country.

Mr. GEORGE. Mr. President, I would like to ask the Senator a question. I do not quite understand the Senator's position here, having filed a minority report and frankly saying that his object is to show that the grand jury had probable cause in returning the indictment. Now, the Senator is a very fair-minded man. I want to ask him if that is not raising a fictitious question—

Mr. STERLING. Oh, no.

Mr. GEORGE. And if in his judgment it is not purely a fictitious issue that is being raised? Whatever may have been the correct view of the matter, the Senate did appoint a committee to make an investigation and the committee made the investigation. There is a majority report exonerating Senator WHEELER. There is a minority report filed by the Senator from South Dakota, and that minority report confines itself to one proposition, to wit, that the grand jury acted on probable cause. Does that appeal to the Senator as being a fair way to dispose of a question that touches the honor of a Member of this body? If the minority report should receive the approval of the Senate, are we to vote to reject the majority report upon the ground that the grand jury in Montana had probable cause, shutting our eyes to the more pertinent inquiry dealt with entirely in the majority report that Senator WHEELER was entirely guiltless of any offense?

I want to ask the Senator candidly if he does not think that he is raising a fictitious question, and if he does not think that he is calling upon the Senate to vote on this important matter, involving as it does the honor of a fellow Senator as well as the honor of the Senate itself, upon a fictitious issue?

It seems to me that is very vital. The Senator's argument may be ever so impressive as an argument why the Senate ought never to have appointed the committee to make the investigation; but the investigation has been made, the majority report is before us, and it exonerates Senator WHEELER. Are we to reject that majority report upon the purely fictitious issue now presented to us, to wit, that while that may be true, nevertheless the grand jury in Montana had probable cause for its action? That is the question; that is the plain question; and I want to ask the Senator if he thinks he is dealing fairly with that question?

Mr. STERLING. Which of the two views is the better, the more reasonable view? Mr. WHEELER having been indicted by a grand jury, with the case yet to be tried before a petit jury, which is the better and more reasonable rule, to now pass upon the question of the guilt or innocence of Mr. WHEELER, or, in the face of the charge that this was a frame-up and that the Government officials acted improperly and with improper motives, determine the question as to whether or not there was probable cause?

Mr. GEORGE. I would say to the Senator that he seems to be confusing the two points. We are not trying Mr.

WHEELER on the indictment for the purpose of imposing sentence.

Mr. STERLING. That is true.

Mr. GEORGE. We are not usurping the function of the court. We are acting as a Senate.

Mr. STERLING. But the point is that the matter will be before the petit jury to determine, and for us to determine in the Senate that he is innocent of the matter with which he is charged is sure to prejudice the jury that will be called to try the cause.

Mr. GEORGE. I understand; but I am putting the question to the Senator in this way. What he now says would have been pertinent in resistance to the motion to appoint a committee in the Senate or to hear that testimony, but the committee was appointed and the testimony was heard. There is before the Senate a majority report exonerating Mr. WHEELER, not dealing with the question of the propriety or impropriety of the grand jury action, and the Senator raises here, and I repeat it, a purely fictitious question. I ask him if he believes it is fair to raise a fictitious issue when a serious question touching the honor of a Member of this body, involving a crime against the laws of the country, a question that goes to the very honor of the body itself that undertakes the investigation—is that fair, is it just, and how can the Senator justify the raising of an issue that he himself must concede to be purely fictitious?

Mr. STERLING. I justified the minority report, and upon the ground that we at least have no right, no authority, to try the question of the guilt or innocence of Mr. WHEELER.

Mr. WALSH of Montana. But the Senator from Georgia calls attention to the fact that the Senate directed the committee to do so, and the Senator from South Dakota accepted the appointment.

Mr. STERLING. True, and I admit all that. That is what the Senate directed the committee to do, to investigate the charges. The resolution read:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER, etc.

Mr. WALSH of Montana. If the Senator believed that the Senate had no power to do that, how can he reconcile his acceptance of an appointment on the committee?

Mr. STERLING. I did not think there was any Senator who perhaps at first blush thought that the Senate was without power to determine this thing. I did not. It was not clear in my own mind as to what the Senate could or should do in the premises under the charge made by Senator WHEELER to the effect that this was a frame-up and that the Government officers acted under improper influence or from bad motives. It was somewhat confusing to me.

Mr. WALSH of Montana. Let me call the attention of the Senator to the fact that the resolution does not direct the committee to inquire whether there was a frame-up or not. The committee was not asked to determine that question.

Mr. STERLING. But that was the charge.

Mr. WALSH of Montana. The committee was asked to determine what the facts were.

Mr. HEFLIN. Before the Senator from South Dakota leaves that point I want to suggest that the Senator himself voted for the resolution asking for the investigation.

Mr. STERLING. Did I?

Mr. HEFLIN. Yes, sir.

Mr. STERLING. I am not sure. Can the Senator show that by the RECORD?

Mr. HEFLIN. Everybody here voted for it.

Mr. STERLING. Did I vote for it?

Mr. HEFLIN. There was not a dissenting vote.

Mr. STERLING. Is the Senator sure I voted for it?

Mr. HEFLIN. It was unanimous.

Mr. STERLING. Was I here?

Mr. HEFLIN. It was a viva voce vote.

Mr. STERLING. I am not sure that I was here at the time the resolution was voted for.

Mr. CARAWAY. May I ask the Senator a question?

Mr. STERLING. I yield to the Senator from Arkansas.

Mr. CARAWAY. The Senator just now made the statement that when he accepted appointment as a member of the committee he was not clear as to the right of the Senate. When the conviction came to the Senator that the resolution conferred no authority upon the committee to investigate, why did not the Senator raise that question and not report upon the evidence at all, and come back and ask that the committee should be discharged, because it was instructed to inquire into a matter about which the Senate had no authority to inquire?

Mr. STERLING. The Senator from South Dakota appreciated the charges made by the junior Senator from Montana that this was a frame-up and that the officers acted through improper motives. I knew that that involved some inquiry into the facts, a production of facts before the committee. Just how far the committee would go I did not know, and I did not care particularly about limiting the inquiry of that one particular thing. The investigation went on. The witnesses were heard. The case was closed, and in executive session I said that the conclusions of the committee should be at least limited to that one thing as to whether there was probable cause for returning the indictment.

Mr. CARAWAY. I, of course, should not have mentioned what went on in the executive session of the committee, except that the Senator sees fit to do it. Did not this occur, that the case was closed, no one wanted to hear another witness, the committee met and after discussion left to the chairman, by direction of the committee, the duty to make the report, and that until the report was prepared and ready to be signed the Senator did not even suggest that this theory should be discussed at all?

Mr. STERLING. I did not assent to any report the chairman of the committee might make.

Mr. CARAWAY. But the Senator did agree that the chairman should prepare the report.

Mr. STERLING. He was to prepare a report for the committee to examine, certainly.

Mr. CARAWAY. And the Senator never suggested that this theory should be considered in preparing the report, did he?

Mr. STERLING. Oh, no; I did not suggest it openly, nor did any other member of the committee suggest a theory on which the report should be based.

Mr. President, I want to go on with the testimony of two witnesses who were before the grand jury. That testimony has been liberally quoted from by the Senator from Idaho [Mr. BORAH] in his remarks. First, I will quote from the testimony of Mr. Glosser. I wish to say with reference to the testimony of those two men, Rhea and Glosser, that they were not swift witnesses by any means, with apparent anxiety to testify in a way that might injuriously affect Senator WHEELER. On the contrary, they were very slow and deliberate witnesses; they only responded to questions that were asked them on the witness stand; but they impressed me as being thoroughly reliable and honest in their testimony. They testified as to what they actually saw and heard or believed that they saw and heard.

Mr. Glosser was connected with different aspects of the oil business for many years. He has now the western territory for the Continental Supply Co.; has known Gordon Campbell three or four years, was associated with him as his private secretary from November, 1922, to the first part of November, or the last part of October, 1923; he is not sure but he thinks Campbell introduced him to WHEELER somewhere between the 1st and 15th of January, 1923. He saw WHEELER several times in Campbell's office during January and February of 1923.

It will be remembered that the testimony of Glosser and Rhea was directed to what occurred in room 222 at the Rainbow Hotel at Great Falls, Mont. Glosser testified that he discussed all of Campbell's business with WHEELER.

I refer now to the testimony beginning on page 79, as follows:

The CHAIRMAN. Yes; he was there working on cases. But was there any conversation—did you have any conversation with Mr. Wheeler—about his employment?

Mr. GLOSSER. You mean with reference to his direct employment by Campbell?

The CHAIRMAN. Yes.

Mr. GLOSSER. Only in so far as Campbell's business was affected. I would never discuss with the Senator his deal with Campbell or anything like that. I talked of Campbell's business to the Senator.

The CHAIRMAN. What was the nature of the business you talked of to him?

Mr. GLOSSER. We had discussed at various times various lawsuits, all the land titles, and Campbell's business generally in the prospecting field, and the outcome there. All of Campbell's business was at various times discussed, or a good part of it.

He discussed with Mr. WHEELER all of the land titles which were in question here in Washington in the Land Department of the Government. All of Campbell's business, or a good part of it, was at various times discussed. When we come to read the record we shall come to the conclusion that the great and the important part of all of Campbell's business was here in the General Land Office at Washington. The testimony continues:

Senator STERLING. With Mr. WHEELER?

The CHAIRMAN. With Mr. WHEELER?

Mr. GLOSSER. Yes; with Mr. WHEELER.

The CHAIRMAN. Was there anyone else present when you were discussing this business of Mr. Campbell with him?

Mr. GLOSSER. Yes.

The CHAIRMAN. Who was present?

Mr. GLOSSER. There were several at different times. Mr. Rhea was present several times and Mr. Campbell was present, and at other times I think Mr. Harvey was there.

The CHAIRMAN. What was the nature of the discussion? How did you come to discuss it with him? What was the nature of the matter discussed?

Mr. GLOSSER. We discussed the matters because WHEELER was representing Mr. Campbell and I was representing Mr. Campbell, too, and it was natural that we should discuss the business Campbell had—

And remember, Mr. President, that Mr. Glosser was Mr. Campbell's private secretary for a period of just about a year—

We had that common point in view, of arriving at the same thing; a lot of business—that is, all of Campbell's business.

The CHAIRMAN. I understand; but is there any specific subject matter in the business which Mr. WHEELER had charge of that you could now recall that you talked over with him?

Mr. GLOSSER. Yes; Mr. Campbell had a good many lawsuits, and they were discussed in a general way; and one lawsuit in particular that Mr. WHEELER was handling at that time was discussed a good bit. Other times the land titles were discussed, and Government permits, and everything that Mr. Campbell had anything to do with was discussed.

There is no impeachment or refutation of that testimony.

Mr. CARAWAY. Mr. President, will the Senator from South Dakota pardon me a moment?

Mr. STERLING. Yes.

Mr. CARAWAY. Will the Senator from South Dakota just read the next part of that testimony?

Mr. STERLING. Does the Senator refer to the testimony following what I have just read?

Mr. CARAWAY. Yes, sir.

Mr. STERLING. It reads as follows:

The CHAIRMAN. Were you ever present when Mr. Campbell and Mr. WHEELER talked over the terms of his employment?

Mr. GLOSSER. You mean his compensation?

The CHAIRMAN. Yes.

Mr. GLOSSER. No; I was never present when they talked that over.

The CHAIRMAN. Did you ever talk over with Mr. WHEELER the scope of his employment—what he was employed to do?

Mr. GLOSSER. No; I never discussed that point with Mr. WHEELER. I took it for granted; to represent Mr. Campbell.

Remember, Mr. President, that the contract was for a compensation of \$10,000 a year. It was called a retainer of \$10,000 a year. It was not a written contract; it was oral. Just how we are to determine what services were to be included for which that compensation of \$10,000 a year was to be paid I hardly know. I think it is a matter of inference, however, from all the testimony, an inference that the grand jury was warranted in drawing.

Mr. CARAWAY. May I ask the Senator a question?

Mr. STERLING. Yes.

Mr. CARAWAY. The Senator from South Dakota says that the scope of the employment of Mr. WHEELER was a matter of inference, but Stout and Campbell testified—

Mr. STERLING. Not exactly the scope of his employment was a matter of inference.

Mr. CARAWAY. Well, the service which Mr. WHEELER was to render.

Mr. STERLING. What he was to do for the \$10,000?

Mr. CARAWAY. That was testified to by everybody who knew anything about it, was it not?

Mr. STERLING. Yes.

Mr. CARAWAY. Campbell testified about it, Stout testified about it, Beaulien testified about it, and Mr. Harvey testified as to what was reported to the officers of the company; that when they were asked to ratify the contract they were told what WHEELER's employment was to consist of.

May I add that there is not a line of testimony from beginning to end by anybody who pretended to know that does not set forth exactly what WHEELER was to do for \$10,000. If the Senator thinks there is, I wish he would put his finger on that testimony.

Mr. STERLING. The Senator from South Dakota will refer to the whole testimony.

Mr. CARAWAY. There was not a single witness who pretended to know who did not say that Mr. WHEELER's employment was confined exclusively to litigation in the State courts of the State of Montana.

Mr. STERLING. There were a good many witnesses who did not pretend to know—

Mr. CARAWAY. Of course.

Mr. STERLING. What he was doing, but the evidence shows what he was doing.

Mr. CARAWAY. Where does the evidence show what he was doing? I ask the Senator to refer me to a single witness who said WHEELER did anything except in the State courts.

Mr. STERLING. I will quote from the record and from the documentary evidence to show that.

Mr. CARAWAY. Of course if the Senator does not want to point it out, very well. I assert now that every man who knew or who had any right to know said that the scope of Mr. WHEELER's employment was confined to litigation in the State courts of Montana.

Every man connected with the Department of the Interior, all of them, I take it, men of character, one of them for 37 years a practicing attorney in the State of Montana, and by the Republican administration appointed Solicitor for the Department of the Interior, and the other twice Governor of the State of Utah and appointed Commissioner of the General Land Office, testified that Mr. WHEELER had not prosecuted cases before that office. Therefore I hope the Senator will not merely draw an inference and say there is some question about what Mr. WHEELER was to do or what he did do, because I assert—and I am willing to go over the testimony line by line with the Senator—that there is not a line of anybody's testimony anywhere that undertakes to say that Mr. WHEELER was to do anything except what he said he was to do, and that is to appear in the courts of Montana. There is not a scintilla of evidence by anybody, respectable or otherwise, to the effect that he ever appeared before the Land Office in the interest of Mr. Campbell.

Mr. STERLING. The Senator can say those things in his own time. I refer to the record, and will show from the record what might be a proper inference for a grand jury to draw in regard to the compensation and what it was to cover.

Mr. CARAWAY. May I say that when the Senator comes to quote the testimony I hope he will go on through it and will not stop like he did a few moments ago in the case of Glosser's testimony?

Mr. STERLING. The Senator may call my attention to any part of the testimony he chooses, and I will be glad to read it if the Senator so requests.

Mr. CARAWAY. What I was about to say was that it strikes me—and I want to be perfectly respectful to the Senator from South Dakota—

Mr. STERLING. Oh, yes; there is no question but that the Senator is. I have not intimidated by any sign that I think otherwise.

Mr. CARAWAY. What I was about to say was that while I agree it must have been unintentional, yet it strikes me that it is hardly fair to read a general statement when if the specific question and answer following it are read it will appear that the witness specifically stated that he knew nothing about it.

Mr. STERLING. Will the Senator point out to what he refers that I have omitted?

Mr. CARAWAY. The Senator referred to the testimony where Mr. Glosser said he had talked over with Mr. WHEELER his employment, but the Senator stopped there. Then I asked him to read the questions and answers which followed, in which Mr. Glosser specifically said, "I never talked with WHEELER. I do not know what he was to do or what he did do." The Senator ought not to stop with a general statement when there is a specific statement.

Mr. STERLING. I think the Senator from Arkansas himself draws an improper inference from the testimony. Let me read it.

Mr. CARAWAY. Very well.

Mr. STERLING. Let me read again the statement which I have read and the answer to it. In answer to the chairman, Mr. Glosser said:

Yes; Mr. Campbell had a good many lawsuits, and they were discussed in a general way; and one lawsuit in particular that Mr. WHEELER was handling at that time was discussed a good bit. Other times the land titles were discussed, and Government permits, and everything that Mr. Campbell had anything to do with was discussed.

Now, let us see if what follows refutes that statement. I will read it:

The CHAIRMAN. Were you ever present when Mr. Campbell and Mr. WHEELER talked over the terms of his employment?

Mr. GLOSSER. You mean his compensation?

The CHAIRMAN. Yes.

Mr. GLOSSER. No; I was never present when they talked that over. The CHAIRMAN. Did you ever talk over with Mr. WHEELER the scope of his employment—what he was employed to do?

Mr. GLOSSER. No; I never discussed that point with Mr. WHEELER. I took it for granted; to represent Mr. Campbell.

Mr. CARAWAY. Yes.

Mr. STERLING. The chairman then asked:

What was the nature of these lawsuits in which Mr. WHEELER was acting?

Mr. GLOSSER. The lawsuits?

The CHAIRMAN. Yes.

Mr. GLOSSER. They were suits that Mr. L. C. Stevenson and his associated companies had filed against Campbell individually and Campbell's companies.

Is there anything in that that tends to contradict what Mr. Glosser has previously said? No; there is not one word.

Mr. CARAWAY. No; there is everything to contradict the inference that I drew from what the Senator said, that there was some doubt about what WHEELER was expected to do, because when you read that, the witness says that he did not know, except that he was looking after lawsuits in Montana; and may I just read on page 81, where the same question came up again? He was asked to go into particulars as to what Mr. Campbell's business was.

The CHAIRMAN. Do you know of his having anything to do with the other litigation, aside from the receivership?

The Senator read about the receivership.

Mr. GLOSSER. Yes. Mr. Campbell's lawyer was in touch with Mr. WHEELER's office. Mr. Baldwin prepared a good many papers for us; briefs, as I recall, they were—legal stuff. I did not understand it.

The CHAIRMAN. But with reference to these other suits?

Mr. GLOSSER. These other suits?

The CHAIRMAN. Then there was a libel suit brought, was there not?

Mr. GLOSSER. A libel suit? I think that was incorporated in the same suit. I am not sure. There were a whole lot of suits.

The CHAIRMAN. There was a libel suit for some \$100,000?

Mr. GLOSSER. I do not recall that suit right now.

The CHAIRMAN. You do not?

Mr. GLOSSER. No, sir.

Now:

The CHAIRMAN. Did you ever talk over with Mr. WHEELER at any time the scope or extent of his employment, and what the different things were that he was to do as attorney?

Mr. GLOSSER. No; I do not think I did.

No inference could be drawn from his testimony, when it is all read, that Mr. WHEELER was presumed to have had something else to do.

Mr. STERLING. The inference is that they had talked the matter over, and talked about all of Mr. Campbell's business, the lawsuits as well as other business. He was his private secretary.

Mr. CARAWAY. Oh, but when he was asked what Mr. WHEELER did he commenced to talk about the State court suits in Montana, and then specifically and emphatically stated that if he had anything else to do he never heard of it. The inference ought not to be left. The Senate is entitled to have the testimony.

Mr. WALSH of Montana. Mr. President—

The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. I do.

Mr. WALSH of Montana. The Senator is commenting upon the testimony appearing at page 80. I should like to ascertain just his view about that to which he has invited the attention of the Senate, and particularly this statement by Mr. Glosser, to which the Senator attaches some importance:

Yes; Mr. Campbell had a good many lawsuits, and they were discussed in a general way; and one lawsuit in particular that Mr. WHEELER was handling at that time was discussed a good bit. Other times the land titles were discussed, and Government permits, and everything that Mr. Campbell had anything to do with was discussed.

I see up above, again, the expression "the land titles" were discussed. Obviously, the witness makes a distinction between land titles and Government permits, and very properly so, because a great many of these oil wells are drilled upon property

that has passed into private ownership, as the Senator well knows, and those are usually spoken of as land titles.

The permits are something else. Apparently permits, Government permits, were one of the subjects of discussion. That discussion, as I understand, was participated in, the parties present being Mr. Campbell, Mr. WHEELER, Mr. Rhea, and Mr. Glosser. Am I correct?

Mr. STERLING. Oh, no; the Senator is wrong there. This is a conversation between Mr. WHEELER and Mr. Glosser. This is not an account of the conversation at the Rainbow Hotel. That is a different matter.

Mr. WALSH of Montana. Oh, very well; only Mr. Glosser and Mr. WHEELER.

Mr. STERLING. Mr. WHEELER and Mr. Glosser; yes.

Mr. WALSH of Montana. What I want to know is how the Senator draws the conclusion that Mr. WHEELER was employed in some way or other in connection with the permits just because the subject of permits was mentioned in the course of the conversation?

Mr. STERLING. I think that will appear a little more clearly to the Senator from Montana when I refer, a little later on—

Mr. WALSH of Montana. I dare say it may appear clearly somewhere else, but it obviously does not appear clearly or otherwise here. They talked about the land titles, they talked about the permits, they talked about the litigation. I suppose probably they talked also about the drilling, and possibly they talked about the geological structures, and they might have talked about a lot of things. They might have spent the evening talking about permits, and yet that would not indicate that Mr. WHEELER was hired in connection with those permits.

Mr. STERLING. It has this significance, that it brings home to Mr. WHEELER a general knowledge of Mr. Campbell's business, his land business, his permit business, and so forth, to show that through conversation with Mr. Glosser, who was Mr. Campbell's private secretary, he could not help but become familiar with the general business in which Mr. Campbell was engaged.

Mr. WALSH of Montana. Oh, yes; and I presume we may indulge the assumption that Mr. WHEELER knew that Mr. Campbell had some Government permits.

Mr. CARAWAY. Mr. President, may I just call attention to one thing, though? On page 46 of part 2 of the hearings, Beaulieu testifies:

I asked Mr. WHEELER some question with reference to a law point concerning a certain permit, and Senator WHEELER had lived in Montana so long that he used pretty strong language sometimes—plain—and he said, "I do not know a ———— thing about Government permits."

I remember what the language was. It seemed to be peculiar to the West, and I will not quote it.

I would not know one of the ———— things if I saw it. Besides, I told Campbell I would not have anything to do with his Government land.

That was his answer.

That is the only time he was ever asked, in all this record, anything about a Government permit, and he swore like a sailor, and said he did not know anything about one and would not know it if he should see it, and he had told Campbell that he would not have anything to do with it.

Mr. STERLING. On what page is that?

Mr. CARAWAY. That is at the bottom of page 46 and the top of page 47 of part 2 of the hearings.

Mr. STERLING. Oh, yes; I am glad the Senator called attention to that. I will refer to it later on.

Mr. WALSH of Montana. Mr. President, I rose a moment ago to ask the Senator in all seriousness whether he considers that the fact that permits were mentioned in the course of an evening's general discussion of Mr. Campbell's business is any proof that Mr. WHEELER was employed to get Government permits, or to have anything at all to do with the Department of the Interior?

Mr. STERLING. I call the attention of the Senator from Montana to the fact that he again seems to confuse what occurred here, when they were talking about permits, with what occurred at room 212, Rainbow Hotel, Montana. I will get to that, and I will read it.

Mr. WALSH of Montana. Yes; we will bear this in mind when we come to consider the other matter; but I took it, from what the Senator said, that he considered this as proof of his contention.

Mr. STERLING. Some proof to be taken in connection with all the evidence in the case.

Now, I go to page 87, if anyone is following, the meeting at the Rainbow Hotel, beginning on page 86:

Senator STERLING. Very well. Now, where was this conversation, or this meeting, rather, when you say WHEELER and Campbell and Mr. Rhea and yourself were present?

Mr. GLOSSER. In the Rainbow Hotel.

Senator STERLING. In the Rainbow Hotel?

Mr. GLOSSER. Yes.

Senator STERLING. How did you come to go to the Rainbow Hotel?

Mr. GLOSSER. Mr. Campbell told me to get a room there.

Senator STERLING. For what purpose?

Mr. GLOSSER. Well, for two purposes. He wanted to talk to Mr. WHEELER, and he wanted to get uptown. He had been staying at my house, and he wanted to get uptown. He lived at the hotel practically all the time when he was in town.

Senator STERLING. At what time in the day or evening did you meet?

Mr. GLOSSER. In the evening—early evening—as I recall it.

Senator STERLING. How long were you there together?

Mr. GLOSSER. Oh, possibly an hour or an hour and a half.

Senator STERLING. Did anybody else come into the room at all while you were there?

Mr. GLOSSER. I think Mr. Cooper, and Mr. Jackson came in, too, just for a second.

Senator STERLING. They did not remain?

Mr. GLOSSER. No, sir.

Senator STERLING. They did not participate in the conversation?

Mr. GLOSSER. No, sir.

Senator STERLING. Did you hear all the discussion there, Mr. Glosser?

Mr. GLOSSER. In that room that night?

Senator STERLING. Yes.

Mr. GLOSSER. Yes; I was there all the time.

Senator STERLING. Just what was said in your hearing there by Mr. Campbell or Mr. WHEELER in regard to oil permits?

Mr. CARAWAY. Will the Senator tell me where he is reading?

Mr. STERLING. On page 87 now.

Mr. CARAWAY. From which volume of the hearings?

Mr. STERLING. It is the same in all the copies. It begins with page 1 and runs through the successive numbers.

Mr. CARAWAY. I have just the first edition.

Mr. STERLING. I continue reading from page 87:

Mr. GLOSSER. There was a great deal said about oil permits that night. We talked in a general way about the number of permits Mr. Campbell had and the details of handling them through here, etc., like that; and Mr. Campbell was at that time—one permit in particular was referred to; the Phil MacGowan permit seemed very valuable. It was in Mr. Rhea's name, and he had just had an offer on it.

Senator STERLING. What was said, as near as you remember, about the Phil MacGowan permit?

Mr. GLOSSER. We talked about the Phil MacGowan permit, and Mr. Campbell said this: "If Mr. WHEELER can get this fixed up in Washington—"

The CHAIRMAN. Was Mr. WHEELER present?

Mr. GLOSSER. Yes; Mr. WHEELER was present.

Senator STERLING. What did he say?

Mr. GLOSSER. He said, "If Mr. WHEELER can get this thing fixed up in Washington, we can afford to cut on the money"—slice, or something. That was the substance of it. The exact words I could not speak.

Senator STERLING. What did Mr. WHEELER say in regard to it?

Mr. GLOSSER. I do not recall that he said a word about it. I do not think he made any reply. Oh, yes, he did; but not at that particular time.

Senator STERLING. But during that evening?

Mr. GLOSSER. During the evening Mr. WHEELER left us under the impression there was nothing to worry about getting permits fixed up; that the matter could be fixed up in Washington very easily; it was merely a matter of getting the details worked out through the department.

Senator STERLING. What, if anything, did he say about the things he might have to do in order to get the matter adjusted?

Mr. GLOSSER. I do not recall exactly what he said, but he left us under the impression—or, at least, he left me under that impression—that with his connections down here he would have access to getting action on these permits.

Senator STERLING. Did Mr. WHEELER give Mr. Campbell any assurance at that time as to what he could do?

The CHAIRMAN. I think it might be well to let the witness state what he said.

Mr. GLOSSER. What is the question?

Senator STERLING. State all that was said.

Mr. GLOSSER. I think I have covered it pretty well.

Senator STERLING. Yes.

Mr. GLOSSER. We talked about these permits, and particularly this one that we thought was valuable, because we had been offered so much money for it—Mr. Rhea had had an offer on it—and Mr. Campbell turned to Mr. Rhea at one time, and he said, "Now, if WHEELER can get this stuff fixed up for us we can afford to cut the stuff up some way." That was the substance of it.

Then an objection was made to asking his interpretation.

Mr. GLOSSER. Mr. WHEELER said after that there was nothing to worry about about permits; that they could be fixed up in Washington; not to worry about it.

Senator STERLING. He said that to whom?

Mr. GLOSSER. I imagine to the people who were there.

Senator STERLING. Were you all sitting there?

Mr. GLOSSER. Yes; sitting there very close. It was a small room.

Senator STERLING. Did you have some conversation with Mr. Campbell in regard to the compensation to be paid Mr. WHEELER?

Mr. GLOSSER. Yes, sir.

Senator STERLING. Was this while you were acting as private secretary to Mr. Campbell?

Mr. GLOSSER. Yes, sir.

Senator STERLING. And you say your work as private secretary lasted until in November, 1923, if I remember?

Mr. GLOSSER. The latter part of October.

Senator STERLING. The latter part of October, 1923?

Mr. GLOSSER. Very near the 1st of November.

Senator STERLING. And then you were in his employ as his private secretary at the time of this conversation at the Rainbow Hotel?

Mr. GLOSSER. Oh, yes.

Senator STERLING. Was there any particular way in which you reached room 212 that evening?

That is perhaps immaterial. I shall want to call attention a little later to Mr. Glosser's testimony.

Turning now to page 92—

Mr. WALSH of Montana. Mr. President—

The PRESIDENT pro tempore. Does the Senator from South Dakota yield?

Mr. STERLING. I yield.

Mr. WALSH of Montana. Before the Senator passes that, I want to inquire of the Senator whether Mr. Glosser seemed to be a very unwilling witness?

Mr. STERLING. Not an unwilling witness, I might say, but a witness who had to be asked questions for everything that was stated. He did not volunteer anything.

Mr. WALSH of Montana. Had he made some affidavits prior to that?

Mr. STERLING. He made some, and I will have occasion to refer to the affidavits.

Mr. WALSH of Montana. I observe it took the Senator quite a long while to get this answer out of him.

Mr. STERLING. Yes.

Mr. WALSH of Montana. He was first asked:

Just what was said in your hearing there by Mr. Campbell or Mr. WHEELER in regard to oil permits?

That question would seem to bring out the entire conversation. Glosser answered:

There was a great deal said about oil permits that night. We talked in a general way about the number of permits Mr. Campbell had and the details of handling them through here, etc., like that; and Mr. Campbell was at that time—one permit in particular was referred to; the Phil MacGowan permit seemed very valuable. It was in Mr. Rhea's name, and he had just had an offer on it.

You will observe that he has not said anything there about what Mr. WHEELER said. Some further matter comes up, and he is again asked:

What was said, as near as you remember, about the Phil MacGowan permit?

Mr. GLOSSER. We talked about the Phil MacGowan permit, and Mr. Campbell said this: "If Mr. WHEELER can get this fixed—

He does not say anything about what Mr. WHEELER said, and the Senator from South Dakota comes at him again:

What did Mr. WHEELER say in regard to it?

Mr. GLOSSER. I do not recall that he said a word about it. I do not think he made any reply. Oh, yes; he did; but not at that particular time.

Senator STERLING. But during that evening?

Trying to get out of him what Mr. WHEELER said, but he does not give anything Mr. WHEELER said. Then he said:

Mr. GLOSSER. During the evening Mr. WHEELER left us under the impression there was nothing to worry about, getting permits fixed up; that the matter could be fixed up in Washington very easily; it was

merely a matter of getting the details worked out through the department.

But that is not satisfactory. So the Senator from South Dakota comes at him again:

Senator STERLING. What, if anything, did he say about the things he might have to do in order to get the matter adjusted?

Mr. GLOSSER. I do not recall exactly what he said, but he left us under the impression—or at least he left me under that impression—that with his connections down here he would have access to getting action on these permits.

Up to this time the Senator from South Dakota has not been able to corkscrew out of him the statement that Mr. WHEELER said anything, but he comes at him again, and finally, on page 88, Senator CARAWAY interrupts:

Senator CARAWAY. Let us have the witness state what was said, and perhaps after a while we will arrive at the question whether he had any understanding of the thing. Let the witness state first what was said. I think that would be fair.

Senator STERLING. Very well.

Now, Mr. Glosser comes forward:

Mr. WHEELER said, after that there was nothing to worry about, about permits; that they could be fixed up in Washington; not to worry about it.

Mr. STERLING. The important thing about this whole conversation is that there was a small room at the Rainbow Hotel, these four men were in it, sitting close together, and one could not speak aloud without each of the others having heard it; the talk was largely about permits and the fixing up of permits, and the assurance on the part of Mr. WHEELER that when he came to Washington it would be an easy matter to have these permits fixed up, and they need not worry about it.

Mr. WALSH of Montana. But the point is that the witness, having at least four different times either expressly or impliedly declared that he did not know what Mr. WHEELER said, then finally says that Mr. WHEELER said so-and-so.

Mr. CARAWAY. Will the Senator from South Dakota yield?

Mr. STERLING. I do not think we can take all these statements together and say that they are without significance. We have, in addition, Mr. Rhea's testimony, who was one of the four who were there. I yield to the Senator from Arkansas.

Mr. CARAWAY. I want to call attention to the fact that this same man Glosser made two affidavits touching this very question before he was cross-examined, and substantially he did not say one thing in those affidavits that he said in his testimony. His affidavits appear on page 125. One was taken, and then after Rhea had given his statement they got Glosser to come back and give another, and in neither of them did he ever pretend to say that WHEELER said a thing. He said what Campbell said. That was all he testified about.

Mr. STERLING. At the top of page 92 I asked Mr. Glosser the following:

Senator STERLING. Do you know how many Government permits Gordon Campbell held?

Mr. GLOSSER. The number of them, do you mean?

Senator STERLING. Yes.

Mr. GLOSSER. There were about nine, I believe.

Senator STERLING. About nine. Have you been present here during the testimony?

Mr. GLOSSER. No, sir.

Senator STERLING. And have you heard these permits described by names and numbers?

Mr. GLOSSER. No, sir. I was here the other day, but there were no permits mentioned, I don't think.

Senator STERLING. Can you give the names and numbers of those permits?

Mr. GLOSSER. I could not give you the numbers. I could give you the names of them, I think.

Now I want to call the attention of the Senate to a very significant part of this testimony. Under the law, of course, a man can hold in his own name or by assignment permits covering land to the extent of 2,560 acres, and that only; but this witness testified to the effect that Mr. Campbell owned or controlled permits covering about, as I think he said, 10,000 acres of land, and he gives the names and gives the occupations of some of the men who hold these permits; and there is no question, I think, but that these permits were held by these men not for their own individual benefit and in good faith but that they were held for Mr. Gordon Campbell. I think it is significant that we should know what kind of a client Mr. WHEELER had in this transaction and these several transactions. I think it is worth while.

Mr. NORRIS. May I interrupt the Senator?

Mr. STERLING. Certainly.

Mr. NORRIS. The Senator has heard all the evidence in the case, and I want to ask him if after hearing all the evidence he believes that Senator WHEELER was guilty of a violation of the statute?

Mr. STERLING. I am not going to say that, not by any means. What I am going to say is this: That I think under the circumstances, under the evidence before us, the grand jury was warranted in its action in finding the indictment. Senator WHEELER in a trial before a petit jury may be able to explain and refute successfully all that is said here by these various witnesses; and I use the word "explain" advisedly.

Mr. NORRIS. Was it not the duty of the committee to ascertain whether in their judgment he had violated the law?

Mr. STERLING. I do not think so.

Mr. NORRIS. The Senator does not believe that?

Mr. STERLING. No; that is not my theory of what we should do.

Mr. NORRIS. Let me ask the Senator another question. Was the hearing full? I mean, was there any evidence the Senator knew anything about that should have been brought before the committee that was not produced?

Mr. STERLING. I will hardly say as to that. I do not now think of any particular piece of evidence that might have been brought before the committee that was not produced. There was a very important piece of evidence, which is in the Record, an affidavit by one E. M. Harvey. If E. M. Harvey were before a petit jury, his testimony—

Mr. NORRIS. If the Senator were trying anyone in a criminal case, either as judge or jury, would he consider an affidavit?

Mr. STERLING. On, no; but the affidavit is here. It is a part of this record.

Mr. NORRIS. Very well; let us take the affidavit. If the evidence is all produced here, and the Senator has heard it all, he must then have formed an opinion, it seems to me, as to whether the evidence establishes the guilt of the Senator or not. That is the question I am asking him—whether, after hearing all the evidence, which he says was complete, he believes Senator WHEELER to be guilty of the charge?

Mr. STERLING. I am not trying that question, and I do not think the Senate should try it. I do not think a committee of the Senate should try it, notwithstanding the broad scope of this resolution referring it to the committee.

Mr. NORRIS. Whether it should or not, it seems to me that is the question submitted to them. It seems to me that is what we have a right to know here from the judges who heard the evidence—whether it impresses them to the extent that they believe in the guilt of the man charged?

Mr. STERLING. Had there been aspersions upon the character of Mr. WHEELER, or upon any Member of this body, impugning his motives, charging him with misconduct involving no moral turpitude, or anything of that kind, and no indictment yet found by a grand jury, the Senate might then consider the question as to whether it should investigate the matter, and might investigate it; but when the courts have acted, and an indictment has been found, and then here in the Senate of the United States we try the question of the guilt or innocence of the party charged; though he is a Member of this body, we are doing two things: First, we are giving that Senator an advantage that the average citizen would not have in a trial before a petit jury, if we find him innocent of the charge.

Mr. NORRIS. That depends on whether we find him innocent or not.

Mr. STERLING. In the second place, we would be encroaching upon the functions and the duties of another department of the Government.

Mr. NORRIS. If the Senator will permit, if the guilt or the innocence of Senator WHEELER is not involved in this investigation, I do not know what is involved.

Mr. STERLING. We should not report. I am frank to say that.

Mr. NORRIS. What is the use of having a committee make an investigation if they do not report? I can see how the Senator's argument might have had some weight if it had been presented when the resolution as to whether we should take any steps was before us. Then it might have had some weight, and at that time it was not known whether a majority of the committee would report favorably or unfavorably. If the report had been unfavorable, and had gone before the petit jury, or in some way had gotten to them, then it would have had the opposite effect.

Mr. STERLING. Certainly it would. It would have unduly prejudiced the petit jury against Senator WHEELER.

Mr. NORRIS. But having acted as we did, there is no way now to take it back. Having started in and made the investigation, it seems to me that a Member of the Senate is entitled to know from members of the committee who heard the evidence, especially when they admit that they have heard all the evidence they could hear of or found out about, that we are entitled to know what the impressions of the members of the committee are as to the fact of guilt or innocence.

Mr. STERLING. Just in a word I would suggest to the Senator from Nebraska my solution of this case. Considering where we are now in the matter of the reports and in the matter of the discussion, my suggestion is that the Senate should take no action, leaving this matter in absolute abeyance, leaving Senator WHEELER to occupy his place in the Senate, to go on with the performance of his duties in the Senate, remitting him, however, for the determination as to whether he is guilty or innocent of the charge to the only competent body to determine that, the petit jury in the United States District Court for Montana?

Mr. CARAWAY. May I interrupt the Senator just at this time, and I will not interrupt him any more, because I know he wants to finish his remarks.

I want to read what the man who took much credit to himself for having worked up the case thought about it, if I may. I am reading from the testimony of Mr. Grorud.

Mr. STERLING. What page?

Mr. CARAWAY. It is in another hearing.

Mr. STERLING. Oh, in another hearing.

Mr. CARAWAY. Mr. Grorud is a Republican. Whether that is to his credit or not I will not argue. He was formerly an assistant attorney general in the State of Montana. Whether that is anything to his credit, we will let it pass. But Coan, who said he is an Irishman—and I certainly hope he was joking about that, as he did about everything else, because I am part Irish myself—went to Montana. The Senator from Alabama [Mr. HEFLIN] read the testimony a moment ago. He went out under the employment of certain people to get something on WHEELER and somebody else; and here is how he went about getting it, and here is what he thought when he knew all the facts. I shall skip all the things where he identified himself and where he met Mr. Coan. He said:

What did he say to you about that?

He is talking about his business out there.

Mr. GRORUD. Well, he first came to me and wanted to get something on Senator WALSH. In this connection I may state that while I was assistant attorney general I had occasion to make some investigations in Butte, Silver Bow County, in regard to some election frauds, illegal voting, and Mr. Coan came to me and wanted an affidavit from me, and he stated that he wanted me to make a strong affidavit. I told him that I would make an affidavit or testify as to the facts for him; and I also said to him that as far as Senator WALSH was concerned he had nothing to do with that, and he was not connected with that in any shape or form. Well, he said he knew that, but he wanted something on WALSH, so that he could smear him because he wanted to stop him in the oil investigations here at Washington.

The CHAIRMAN. Now, go ahead and state what was said about Senator WHEELER.

Mr. GRORUD. Well, in one of the conversations he said something about WHEELER—he knew, of course, that Mr. WHEELER and myself had been law partners, and he said something about having WHEELER smeared.

Senator MOSES. Was that WHEELER or WALSH?

Mr. GRORUD. WHEELER.

Senator MOSES. You testified a moment ago that he wanted to have Senator WALSH—

Mr. GRORUD. That he wanted to have Senator WALSH smeared.

The CHAIRMAN. This conversation occurred after Senator WHEELER's indictment out there?

Mr. GRORUD. Oh, yes. He had already smeared WHEELER in such a shape that he had him sewed up, he said, and I said to him, "How did you ever happen to put this over?" I said, "You can't get any place with that," because I thought I knew something about the case that he had for Mr. Campbell. "Well," he said, "we don't care anything about that. We just simply want to smear him." I said to him, "Supposing now that the case is set down for trial?" "Well," he said, "we will see to that; that the case don't come up for trial immediately. We will simply hold it over him, because we had to do something to stop him." And he said, "Well"—he said—he just simply wanted to smear him; that is all. He knew that he couldn't get any place.

Now, then, does the Senator from South Dakota want to lend himself to carrying on the process that he talks about, that he said all he had in it was a desire to smear two Senators; that he knew the charge was false and wanted a man to make a false affidavit and help him smear them? I want to ask the Senator

if his report does not simply carry on the smearing process? I know, of course, the Senator does not intend to do it, but in effect is not that all it is doing?

Mr. STERLING. Oh, no; it does not, and the Senator knows it does not. He knows, too, that I am not engaging in a smearing process.

Mr. CARAWAY. I did not say the Senator was engaged in it.

Mr. STERLING. I decline to yield further to the Senator from Arkansas.

Mr. CARAWAY. I am sure I am perfectly willing, Mr. President, to refrain from interrupting the Senator further.

Mr. STERLING. I was about to refer to some very important testimony. I mentioned some permits. He had testified that there were about nine permits, and then continued:

Senator STERLING. Can you give the names and numbers of these permits?

Mr. GLOSSER. I could not give you the numbers. I could give you the names of them, I think.

Senator STERLING. I wish you would give the names.

Mr. GLOSSER. Jim MacGowan; Fred MacGowan; Dan MacGowan, and there was another MacGowan permit; the name I do not recall now; the Rasmussen permit, the Scott permit, the Lincoln permit, the Klindinst-Clark permit, and the Campbell permit.

Senator STERLING. Do you remember anything about the Scott permit?

Mr. GLOSSER. Do I remember anything about it?

Senator STERLING. Yes.

Mr. GLOSSER. Yes; I remember some of the things about it. There was an assignment of it.

Senator STERLING. Was that one held by Mr. Campbell?

Mr. GLOSSER. Mr. Campbell held all these permits, I think, by assignment.

Senator STERLING. Do you know how many acres were involved in these various permits?

Mr. GLOSSER. They check up to about 10,000, as I recall it now.

Senator STERLING. Ten thousand?

Mr. GLOSSER. Acres.

Senator STERLING. How did he come to control all of this acreage under Government permits?

Mr. GLOSSER. He would have to have some one else take them up, and take assignments back.

Senator STERLING. Do you know any of the parties that he had take them up?

Mr. GLOSSER. Yes; I know most of them.

Senator STERLING. Who were they?

Mr. GLOSSER. I just got through naming them.

Senator STERLING. Those are the parties that Mr. Campbell had to take up these permits?

Mr. GLOSSER. The original applicants for the permits.

Senator STERLING. They are the original applicants?

Mr. GLOSSER. Yes.

Senator STERLING. And they were afterwards assigned to Mr. Campbell?

Mr. GLOSSER. Assigned in blank, most of them.

Senator STERLING. Do you know how much of such lands within any field a man is permitted to hold?

Mr. GLOSSER. Yes.

Senator STERLING. Were these all in the same field?

Mr. GLOSSER. Yes.

Senator STERLING. It all was in the one field?

Mr. GLOSSER. Yes.

Senator STERLING. And the limit is 2,560 acres, is it not?

Mr. GLOSSER. The limit is 2,560 acres that one man can hold in his name, as I understand the law. I am not familiar with the law. I know one man can not apply for more than that.

Senator STERLING. These permits, you say, were assigned in blank to Mr. Campbell?

Mr. GLOSSER. Assigned in blank. Campbell held a blank assignment from the original people that filed the applications.

Senator STERLING. Do you know in what capacities they had been acting; what their occupation was, and so forth, before they made these assignments to Mr. Campbell—these assignments in blank?

Mr. GLOSSER. Yes; Lincoln was working for Campbell. Lincoln, one of the men, was a clerk in Campbell's office. Jim MacGowan was the engineer working under Campbell. Fred was Jim's brother; Dan is his brother, and Phil MacGowan is his brother.

Scott and Rasmussen, I think, are local people up there; and of course Gordon Campbell had his own permit.

Senator STERLING. Do you know how much Gordon Campbell's permit covered?

Mr. GLOSSER. Possibly 2,500 acres, I believe. I know it comes pretty close to the 2,560 acres. It is a four-figure permit, I know; quite a tract of land.

So there we have it, acreage to the amount of 10,000 acres, or nearly so; with permission under the law to any one person to hold only 2,560 acres, and the men holding the permits under blank assignments either in his employ or the near relatives of those who were in his employ. No wonder that he had to have attorneys in Montana. No wonder that he wanted somebody to look after his business before the General Land Office at Washington.

I want to call attention briefly to the testimony of William W. Rhea. He had been in the oil business all his life. His testimony is found at page 108. He met Senator WHEELER once, and that was on January 15, 1923, at the Rainbow Hotel. At page 109 he testified that he was one of the four persons present at the meeting at the Rainbow Hotel:

The CHAIRMAN. Can you recall, so as to be definite as to the conversation, what was said in regard to the matter of his employment at that time? Do you recall the conversation?

Mr. RHEA. Yes, sir.

The CHAIRMAN. Now, state what was said in the presence of Mr. WHEELER.

Mr. RHEA. The main conversation between Mr. Campbell and Mr. WHEELER and myself was in regard to the Phil MacGowan permit. Mr. Campbell said that Senator WHEELER, on his arrival in Washington, would be able to put this permit through—get it approved.

The CHAIRMAN. What did Mr. WHEELER say?

Mr. RHEA. He did not reply anything, except he said that we did not need to worry, that this would all be taken care of when he got back here.

In this respect the testimony of Glosser and of Rhea is exactly the same. The language used was that he "would attend to it when he got to Washington" and they "need not worry about it."

Mr. WALSH of Montana. May I inquire of the Senator if Senator WHEELER did anything about it when he got to Washington?

Mr. STERLING. I think he did.

Mr. WALSH of Montana. What did he do?

Mr. STERLING. I will come to that a little later if the Senator from Montana will permit me. I think the record evidence will show that.

Mr. WALSH of Montana. I want to inquire about that because I thought the fact as to whether this conversation did take place was to be very largely determined by what Senator WHEELER did afterwards.

Mr. STERLING. There is evidence looking that way, anyhow.

The CHAIRMAN. Did you say anything?

Mr. RHEA. Yes.

The CHAIRMAN. What did you say?

Mr. RHEA. Gordon Campbell suggested to me that in case Senator WHEELER—well, I am getting ahead of myself. I had an offer on this permit at that particular time, was dealing with some people in Colorado as to selling, and Mr. Campbell knew what I was to get for it—what I was figuring on getting for it. He told me that in case that this permit could be gotten through, we should be able to give Senator WHEELER quite a good slice of it. I believe that was the exact language.

The CHAIRMAN. Was that in the presence of WHEELER?

Mr. RHEA. Yes, sir.

The CHAIRMAN. What did WHEELER say to that?

Mr. RHEA. He did not reply, that I remember.

The CHAIRMAN. Was he taking part in the conversation?

Mr. RHEA. He had been, right along.

The CHAIRMAN. Did he not make any reply when the question of slicing the matter was discussed?

Mr. RHEA. I do not think he said a word.

The CHAIRMAN. Now, have you stated all that you said in this conversation with Mr. WHEELER?

Mr. RHEA. Not exactly.

The CHAIRMAN. State it all, Mr. Rhea.

Mr. RHEA. Gordon Campbell in this talk—I told him that I had my attorney employed to take care of this permit, and that I did not feel that I was entitled to pay anyone anything more.

The CHAIRMAN. Go ahead.

Mr. RHEA. I believe that was all of it.

The CHAIRMAN. What I am trying to find out, Mr. Rhea, is what you said, if anything, to WHEELER.

Mr. RHEA. I did not say anything to Senator WHEELER in regard to taking any part.

The CHAIRMAN. Did he say anything to you?

Mr. RHEA. Yes; he says, "You don't need to worry. On my arrival in Washington this will all be taken care of."

The CHAIRMAN. He said that to you instead of to Campbell, did he?

Mr. RHEA. He said it to both of us.

The CHAIRMAN. Was it said in response to anything that you said to him?

Mr. RHEA. Well, I can't say. That is a long time ago, you know. A man can't remember just the exact words.

Mr. WALSH of Montana. I want to ask the Senator a question or two about this particular testimony at the top of the page.

Mr. STERLING. Page 110?

Mr. WALSH of Montana. Yes; as follows:

Mr. RHEA. Gordon Campbell suggested to me that in case Senator WHEELER—well, I am getting ahead of myself. I had an offer on this permit at that particular time, was dealing with some people in Colorado as to selling, and Mr. Campbell knew what I was to get for it—what I was figuring on getting for it. He told me that in case that this permit could be gotten through, we should be able to give Senator WHEELER quite a good slice of it.

I believe that was the exact language that appears several times here, Mr. President. I want to ask the Senator if it does not appear perfectly conclusively that so far as that was concerned it did not fall under the original employment for the \$10,000?

Mr. STERLING. I do not think so.

Mr. WALSH of Montana. If it did fall under the original employment for \$10,000, why should anybody propose that a "slice" be given to WHEELER? This is an entirely different transaction, is it not?

Mr. STERLING. Yes.

Mr. WALSH of Montana. Very well. Now, Mr. President, let me follow that. This proposition having been made, as has been repeatedly stated by the Senator from Idaho [Mr. BOBAH] so forcefully and eloquently, it appears that Mr. Rhea rejected the proposition, for he said:

I told him that I had my attorney employed to take care of this permit, and that I did not feel that I was entitled to pay anyone anything more.

So there is not any contract there. Would the Senator from South Dakota call that a contract?

Mr. STERLING. I think the Senator from Montana can see that the question goes a little deeper than that. Suppose there had been a specific agreement for an annual retainer of \$10,000; yet here in this conversation between the four of them when the suggestion was made in the presence of these two witnesses, Rhea and Glosser, that Mr. WHEELER should get a pretty "good slice" of it, he remained absolutely silent.

Mr. WALSH of Montana. Oh, yes; I understand all that; but I submit to the Senator whether the very testimony itself does not disclose that, whether a contract was made or not, it was not the contract that was originally made for the \$10,000?

Mr. STERLING. It is not asserted or contended that there was any contract made to pay Mr. WHEELER anything additional or to give him any "slice."

Mr. WALSH of Montana. No; both parties regarded that it did not fall under the \$10,000 agreement, because they were trying to make arrangements for paying Mr. WHEELER for something else.

In the second place, Mr. President, the original agreement, as I understood it, as contended by the Senator from South Dakota, was to look after Mr. Campbell's permits, not after Mr. Rhea's.

Mr. STERLING. Well, one inference that might be drawn from it, I will say to the Senator from Montana, is that, notwithstanding the agreement to pay compensation of \$10,000 a year in the way of a retainer, they could afford to be generous and give a premium, something in addition to that, if this permit should be allowed or sustained.

Mr. WALSH of Montana. Of course, they might be able to afford to; but that is not the proposition. What I say is, Mr. President, that the testimony itself discloses that this transaction had no relation to the original agreement. How could it have? Of course, they might do this, but they did not do it. They are endeavoring to make a specific agreement with reference to this specific permit.

Mr. STERLING. Well, one version of the contract—

Mr. GLASS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Virginia?

Mr. STERLING. I yield.

Mr. GLASS. If it is so tiresome to the Senator, he need not yield.

Mr. STERLING. I am beginning to feel a little tired, and perhaps I showed it, but I am glad to yield to the Senator from Virginia.

Mr. GLASS. I merely want to suggest to the Senator from Montana [Mr. WALSH] that in the course of his inquiries it seems to me he has lost sight of a more or less important matter. The Senator from South Dakota [Mr. STERLING] has laid stress upon the fact that Mr. WHEELER made no response to this suggestion. Of course, he made no response to the suggestion, because the man Rhea anticipated him by himself speaking up and saying that he did not propose to give anybody any "slice"; that he had employed his own attorney to conduct the case, and he did not propose to give anybody else any additional compensation. So the testimony, it seems to a layman, shows not only that WHEELER did not accept the proposition but that the man Rhea himself declined to accede to any such suggestion.

Mr. STERLING. Now, Mr. President, I am going to call attention to some of the documentary evidence, and I shall close with that.

Mr. Pratt, from the Department of Justice, brought before the committee, at the request of the chairman and with the concurrence of the other members of the committee, certain documentary evidence, which was largely read into the record, though some of it was put into the record without reading. Under date of March 8, 1923, Mr. WHEELER writes Mr. Campbell the following letter:

UNITED STATES SENATE,
Washington, D. C., March 8, 1923.

Mr. GORDON CAMPBELL,

Great Falls, Mont.

DEAR SIR: I wish that you would have your office send me a detailed report of the condition of your permit that we discussed with the Standard Oil Co. of California, in order that when I take it up with the Department of the Interior that I will be able to intelligently discuss the matter.

This letter, being dated March 8, 1923, could not have been very long after Mr. WHEELER's arrival in Washington.

I have been extremely busy since arriving here trying to get located, and have an appointment this afternoon with some people from California, who have signified a desire to hear what I have to say with reference to your holdings and Kevin's.

* * * Within the next day or two I will also take the matter up with some other parties here in the city, whom I think will be interested.

With kindest personal regards, I am, your sincerely,

B. K. WHEELER.

Then, on March 13, from Washington, we have a telegram from Mr. WHEELER to L. V. Beaulieu, in care of Gordon Campbell, Great Falls, Mont. L. V. Beaulieu, it will be remembered, was described as the land title attorney whose office was with that of Mr. Gordon Campbell at Great Falls. Here is the telegram:

L. V. BEAULIEU,

Care Gordon Campbell, Great Falls, Mont.:

Secure and mail at once complete list Gordon Campbell syndicate and individual holdings, giving each separate legal description and character of title, dividing acreage into two classes—that in which title is absolute and unquestionable and that in which title may be in doubt. Am writing letter in full to-morrow. Do not wait for letter for this information.

B. K. WHEELER.

On March 13 Mr. Campbell wired Mr. WHEELER as follows:

Received wire. Am forwarding map and list of all acreage with explanation and condition of titles. Expect to leave for Washington latter part of week, making trip through field with Thompson, who remained here ever since Helena meeting trying to formulate deal along same lines as put to us in Helena. Will take matter up with you personally in Washington before anything is done or agreements made. How long do you expect to be in Washington? Regards.

GORDON CAMPBELL.

Then follows the original telegram of March 14, from Washington, sent by Senator WHEELER to Gordon Campbell at Great Falls, Mont., in which he says.

Leaving Saturday for Europe. Have taken your matter up with parties. Writing Baldwin. Suggest see him.

On the same date Mr. Campbell wired WHEELER as follows:

GREAT FALLS, MONT., March 14, 1923.

B. K. WHEELER,

United States Senate, Washington, D. C.:

Please advise when you expect to return. Believe matter of Lincoln permit vitally important. Is it possible you can discuss matter with solicitor and I can come to Washington and discuss matter with

him with view to satisfactory settlement, even during your absence? Feel this permit should have prompt attention. Choteau well looking. Best.

GORDON CAMPBELL.

Then on the same day Mr. WHEELER wired Mr. Campbell, and it is evident from the telegram itself, short though it is, that he refers to the previous telegram received from Mr. Campbell. The telegram is as follows:

WASHINGTON, D. C., March 14, 1923.

GORDON CAMPBELL,

Great Falls, Mont.:

Have already discussed permit with solicitor, but did not have number. Wire that to me, and I will arrange to have you see him in person if you come here.

B. K. WHEELER.

Then comes a telegram from Campbell to WHEELER, dated March 14, as follows:

GREAT FALLS, MONT., March 14, 1923.

B. K. WHEELER,

Senate Chamber, Washington, D. C.:

Reply to your wire. Date permit referred to is No. 051978. Will be glad to see solicitor Washington any time convenient. Advise.

GORDON CAMPBELL OFFICE.

Then, on April 7, 1923, comes a most important letter from Edwin S. Booth. It is addressed to L. V. Beaulieu, Helena, Mont., and to James T. Baldwin, Butte, Mont. It will be remembered that Mr. Baldwin was Mr. WHEELER's law partner at Butte, and Beaulieu was the man who was the title lawyer, so it is stated, in Mr. Gordon Campbell's office at Great Falls. It is a long letter, and I am not going to read it, but in that letter are described the various permits about which there was question of title. I mention the following:

Great Falls 052142: Walter F. Scott.
Great Falls 052143: Darrel B. Rassmussen.
Great Falls 051978: Louis E. Lincoln.
Great Falls 051977: Daniel A. MacGowan.
Great Falls 052136: Philip S. MacGowan.

It is to be observed from this that Mr. Glosser was not talking wildly when he was describing or giving the names of the different persons who held the permits.

I wish to call attention to one paragraph in that long letter from Mr. Booth to the gentleman I have mentioned:

I have personally placed Mr. Campbell in touch with Mr. Feely, of the firm of Vogelsang, Brown, Cram & Feely, whom I consider one of the best, if not the best, firms in Washington dealing in public-land matters, and I have assured Mr. Campbell that they will give him every consideration and will do his work absolutely properly. I suggest that when these papers are forwarded for filing in Washington that they be sent to the firm named, for the personal attention of Mr. William G. Feely, who will bring them over to the department and see that they are properly filed and will do anything further that may be necessary.

Just a word in regard to that and the mention of Mr. Feely's name. It was insisted by Mr. Edwin Booth, the writer of this letter, that Mr. Feely should be employed to do this work—a man who had worked with or under Mr. Booth as Solicitor of the Department of the Interior. Mr. Herrick had been formerly the attorney for Mr. Campbell here in Washington, or perhaps the attorney for Messrs. WHEELER and Baldwin, attending to any matters in which they were interested here before the department; but Mr. Booth insisted that Mr. Herrick should be dismissed and that Mr. Feely should be installed in his place as the attorney to look after the matter.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Does the Senator from South Dakota yield to the Senator from Idaho?

Mr. STERLING. I do.

Mr. BORAH. Do I understand the Senator to say that Mr. Herrick had been associated with WHEELER and Baldwin?

Mr. STERLING. I think I said that he was the attorney for Campbell or the attorney for WHEELER and Baldwin.

Mr. BORAH. That "or" should be left out.

Mr. STERLING. Does the Senator think so?

Mr. BORAH. Yes. There is not a particle of evidence nor an insinuation in the evidence to the effect that he was associated with WHEELER and Baldwin, or had anything to do with them, or represented anything that they represented, or was asked to represent them in any way. He had one permit.

Mr. STERLING. I said "Campbell or WHEELER and Baldwin." I did not think it made any great or particular difference so far as that was concerned, and I said, as I remember the

testimony, that it was for either one or the other or perhaps both; but I will accept the Senator's statement in that regard, that he was only the attorney for Mr. Campbell, though I think I can refer to a letter here that will throw a little light on it.

The letter describes other permits—the Daniel A. MacGowan permit—and Mr. Booth then gives certain memoranda in this letter showing what ought to be done in regard to the various permits. There is an acknowledgment of the receipts of these letters by Beaulieu or by Baldwin, and on page 141 of the record there is this letter from Beaulieu to Booth:

DEAR MR. BOOTH: Re Walter T. Scott permit, Great Falls serial No. 052142. Further answering your letter of April 7 and in accordance with the suggestion therein contained with reference to this permit, I inclose herewith consent of surety to grant an application for extension of time to comply with permit.

And there are several other letters in regard to these permits. Now, Mr. President, to show both the character of Mr. Campbell and in a sense that of Mr. Booth, I quote from a letter of May 4, 1923, written by Campbell to Booth. He says, among other things:

If you can arrange this with Mr. Goodwin—

Mr. Goodwin was an Assistant Secretary of the Department of the Interior.

If you can arrange this with Mr. Goodwin, as we talked in your office, and can get us the permit through by W. W. Rhea assigning to a mutual friend, or, as you spoke, to have some other party make application for the permit, and throw the whole thing out, arrangements can be made to take care of this and Mr. Goodwin. My idea would be, after title was obtained, to assign you and Mr. Goodwin 40 acres out of this lease.

Mr. Booth was solicitor of the Department of the Interior up until May 1, when he left that department; but this letter is dated May 4, and there is nothing to show that Mr. Campbell knew that Mr. Booth had at that time left the Department of the Interior. He says:

This is valuable ground and possibly the best half of section in the Kevin field, as the big wells that have come in since my return are only half a mile away, and this offset well is good and is a big well; they are drilling deeper in the Ellis sand, which will mean possibly a 1,000 or 1,500 barrel well—so you see how important it is that we get our hooks on this half section, to which we thoroughly believe we are entitled. The 40 acres would make you and Mr. Goodwin more money than you would otherwise make in some time.

We will appreciate it very much if this arrangement is satisfactory. We are all set to move in a rig and start a well immediately after we get the permit and guarantee from the Interior Department to protect this permit and offset well. This is strictly confidential.

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. Yes.

Mr. WALSH of Montana. I wish to inquire if there is any evidence that Senator WHEELER knew anything at all about that letter?

Mr. STERLING. I do not know that there is, about this particular letter.

Mr. WALSH of Montana. Then what importance has it?

Mr. STERLING. Taking it all in all, I think it has some importance. It is a letter written to Mr. Booth, with whom Mr. WHEELER conferred in regard to these various permits.

Mr. WALSH of Montana. Who said that he did?

Mr. STERLING. I think the evidence shows that he did. I think there is some admission on his own part that he did.

Mr. WALSH of Montana. What evidence?

Mr. STERLING. He talked with Mr. Goodwin. The evidence shows it. I can not take the time now to point it out to the Senator, but the Senator will find it. It is in the record, and I think he will find part of it from Mr. WHEELER's own testimony.

Mr. WALSH of Montana. The Senator from Montana searched for it, and learned that Mr. Booth and Mr. WHEELER were talking about financing Mr. Campbell.

Mr. STERLING. I suggest that the Senator renew his search, because he will find it there.

Mr. WALSH of Montana. I thought the Senator from South Dakota was so familiar with it that he could point me to it.

Mr. STERLING. No; not at once.

Mr. WALSH of Montana. I have not been able to find it.

Mr. STERLING. I may, a little later refer the Senator to it. The Senator will excuse me now. I want to go on.

He says, further:

If a company was formed in Spokane on this land, or part of it, if you would rather ride for an interest in the company, we can arrange that, also.

With very best wishes, I remain,
Sincerely yours,

GORDON CAMPBELL.

And this is at a time when he evidently thought Mr. Booth was still connected with the Department of the Interior.

Then, on May 19, 1923, is the following letter from Booth to Campbell—

Mr. WALSH of Montana. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Dakota further yield to the Senator from Montana?

Mr. STERLING. I do.

Mr. WALSH of Montana. I notice the Senator from Idaho [Mr. BORAH] on the floor. A controversy seems to have arisen between the Senator from South Dakota and myself, the Senator from South Dakota referring to the letter from Campbell to Booth about 40 acres, and so on. I interrogated the Senator from South Dakota as to whether Mr. WHEELER knew anything about that letter. The Senator from South Dakota said that there was no evidence that he did, but that it was a letter from Mr. Campbell to Mr. Booth, with whom Mr. WHEELER had conferred in relation to these permits.

I said that my recollection of the testimony was to the effect that the talk that Mr. WHEELER had with Mr. Booth about the matter was not in relation to the permits at all, but was with relation to the financing of Mr. Campbell's operations; but the Senator from South Dakota insists that there is testimony here that Booth and WHEELER conferred about the permits.

Mr. BORAH. I do not know of any such testimony. I have overlooked it if there is. Mr. Booth testified positively, you will recall—

Mr. STERLING. I did not hear Mr. Booth's testimony, I will say; I was absent at the time.

Mr. BORAH. Mr. Booth, in answer to the specific question whether there was any discussion about these permits, about their standing in the department, or if he was asked by Mr. WHEELER in any way to take any action in regard to them, replied in the negative. He stated that the discussion and a telegram which was sent after Mr. WHEELER talked with Booth with reference to information and data concerning the permits were exclusively for the purpose of enabling him to talk to these parties with reference to financing the proposition. I read that yesterday.

Mr. STERLING. Mr. President, just one word in regard to this business, covering it all, without taking the time to look up the specific testimony.

The evidence shows that Mr. WHEELER when he came here saw Mr. Booth. Mr. Booth, as I remember the testimony, took him to the Commissioner of the General Land Office, Governor Spry, and there was then mention made of Gordon Campbell and his interests, and the wish was expressed by Senator WHEELER that Gordon Campbell should be accorded fair and just treatment; that he had some matters before the Land Department. There was that, and then I think the evidence further shows clearly that there was talk between Mr. Booth and Mr. WHEELER—not specifically, perhaps, but in a general way—about Mr. Gordon Campbell's business and the permits in which he was interested.

Mr. WALSH of Montana. Mr. President, will the Senator pardon a further interruption?

The PRESIDING OFFICER. Does the Senator from South Dakota further yield to the Senator from Montana?

Mr. STERLING. Yes.

Mr. WALSH of Montana. The Senator some time ago felt that some inference should be drawn from the fact that as soon as Mr. WHEELER came to Washington he called on Mr. Booth down at the Interior Department. I feel like saying in that connection that the first time I went to the Interior Department here, as my recollection now serves me, after Mr. Booth came here, I called on him, also. Mr. Booth did not live in my city; he lived in Butte, but he is a very delightful and agreeable gentleman, and a most accommodating gentleman, although politically we have never been allied at all, but I felt it my duty, and indeed a pleasant duty, to call on him. Why should any improper inference be drawn from the fact that Mr. WHEELER went to pay his respects to Mr. Booth when he came to Washington?

Mr. STERLING. I call the attention of the Senator to some correspondence that I have already read.

Mr. BORAH. Let me read this from Mr. Booth:

The CHAIRMAN. This list of properties you were sending for was sent for as the result of this conversation with reference to financing the land?

Mr. BOOTH. Yes.

The CHAIRMAN. That had nothing to do with departmental matter?

Mr. BOOTH. No, sir.

Mr. STERLING. Now, I again call attention to some of the documentary evidence:

Mr. WHEELER wires Mr. Beaulieu, the attorney in care of documentary evidence:

Secure and mail at once complete list Gordon Campbell Syndicate and individual holdings, giving each separate legal description and character of title, dividing acreage into two classes, that in which the title is absolute and unquestionable and that in which title may be in doubt. Am writing letter in full to-morrow. Do not wait for letter for this information.

Then Campbell wires WHEELER on the same date:

Received wire. Am forwarding map and list of all acreage, with explanation and condition of titles. Expect to leave for Washington latter part of week, making trip through field with Thompson, who remained here ever since Helena meeting trying to formulate deal along same lines as put to us in Helena. Will take matter up with you personally in Washington before anything is done or agreements made. How long do you expect to be in Washington? Regards.

Then WHEELER wires Gordon Campbell:

Leaving Saturday for Europe. Have taken your matter up with parties. Writing Baldwin. Suggest see him.

What is the proper inference from that? Who are the parties with whom he is taking it up? I think the plain inference is simply that Mr. Booth was the "parties" with whom he was taking it up, and the telegram following corroborates that.

Then follows Campbell's reply:

Please advise when you expect to return. Believe matter of Lincoln permit vitally important. Is it possible you can discuss matter with solicitor and I can come to Washington and discuss matter with him with view to satisfactory settlement even during your absence? Feel this permit should have prompt attention.

That is from Gordon Campbell to B. K. WHEELER. In reply, Mr. WHEELER wired Mr. Campbell:

Have already discussed permit with solicitor, but did not have number. Wire that to me, and I will arrange to have you see him in person if you come here.

Does that evidence show that Mr. WHEELER and Mr. Booth did not have some understanding in regard to the permits that were controlled by Campbell or in which Campbell was interested? We could not have any better proof; and, Mr. President, they sent that list, and that is the foundation of the long letter written by Mr. Booth to Beaulieu, to Baldwin, and a copy of which he sent to Mr. WHEELER himself, according to the evidence, showing that he knew, or at least thought he knew, of Mr. WHEELER's interest in it; else why send him a copy of this important letter that he had written to Beaulieu and Baldwin; Beaulieu, the attorney in Mr. Campbell's office, and Baldwin, Mr. WHEELER's partner? Not content with sending it to Mr. Baldwin, he sends a copy of it to Mr. WHEELER, as though he recognized his personal interest in it.

Mr. President, there are a number of letters here which I am not going to take the time to read. The letters show the utmost friendliness between Mr. Campbell and Mr. WHEELER, about their visiting together, going on trips together, and having reference to their families, and so forth. It is important, perhaps not very, but significant in showing the relationship between these parties, and one from which a grand jury might draw some inference.

Then there are some letters which refer to the compensation which is due on the original contract for \$10,000. The correspondence shows that there were two checks drawn, each for \$2,000, to apply on the retainer fee of \$10,000, and a remonstrance on the part of Mr. WHEELER, in a couple of the letters, as I recall, against Mr. Campbell's long delay in paying the fee.

There is one affidavit, the affidavit of Mr. E. M. Harvey, which I am going to read in conclusion. It is as follows:

I, Edward M. Harvey, being first duly sworn, depose and say that—

I am a resident of Eugene, Oreg., where I have resided for the past 20 years.

January 2, 1922, I attended a meeting of the unit holders of Gordon Campbell-Kevin syndicate, at Lewistown, Mont., and was at that time elected to the board of trustees of the above-named syndicate, to hold office for a period of three years.

In December, 1922, I came to Great Falls, Mont., to attend a stockholders' meeting of the American Refinery Co., and remained in Great Falls until January of 1923, in order that I might attend the annual meeting of the unit holders of the Gordon Campbell-Kevin syndicate. At this same time Mr. Campbell and I, being the majority of the board of trustees of this syndicate, held a meeting in the offices of the syndicate in Great Falls, at which meeting there were present Mr. Campbell, Mr. Glosser, and myself. At this meeting I told Mr. Campbell that I was very much dissatisfied with the title the syndicate held to certain acreage and informed him that he would at some time be in trouble with the Government unless steps were taken to correct the defects existing in the titles. Mr. Campbell assured me that steps would be taken to perfect these titles, and suggested the advisability of getting drilling contracts from the persons in whose names the permits had been issued. He further assured me that he would immediately obtain such drilling contracts. He also informed me that he had employed the firm of Wheeler & Baldwin, of Butte, Mont., to defend a suit for receivership filed by one L. C. Stevenson, of Great Falls, former fiscal agent for the syndicate and trustee. He further informed me that the firm of Wheeler & Baldwin would attend to the perfecting of these defective titles, and would attend to such other litigation as might be necessary in connection therewith.

Where would they attend to the perfecting of the titles? Not in a State court of Montana but right here before the General Land Office. I continue reading:

It was further agreed that the firm of Wheeler & Baldwin should do any and all things necessary for the protection of the unit holders in Gordon Campbell-Kevin syndicate. It was stipulated at this meeting that the firm of Wheeler & Baldwin should receive an annual salary or retainer of \$10,000, divided equally between the syndicate and Gordon Campbell individually. I objected to the amount of salary because I considered \$10,000 excessive, but was influenced by the fact that Mr. WHEELER had just been elected United States Senator, and was further influenced by remarks made by Mr. Campbell and Senator WHEELER. In this connection I protested to Senator WHEELER personally, and he replied, in substance, "You people have a great amount of valuable acreage; and if we can save just one 40 acres of that for you, we have paid our salary." I therefore consented to the employment of Wheeler & Baldwin at the salary above stated.

Mr. BORAH. The Senator will recall that one of the reasons why Mr. Campbell employed Mr. WHEELER was that Mr. Campbell said that every time he had a lawsuit, whether he was right or wrong, they gave the other fellow 40 or 80 acres of land in order to compromise, and he was getting tired of giving away his land.

Mr. STERLING. I do not know whether he said they gave them 40 acres or not, but he was tired of the compromising spirit of some of his attorneys.

Mr. BORAH. And giving away part of the land every time he had a lawsuit.

Mr. STERLING. Yes; but that is not particularly relevant to this matter.

Mr. BORAH. I take it that he hired WHEELER to save his land.

Mr. STERLING. Yes; but what was the scope of the employment? This statement in this letter fairly indicates what the scope of the employment is.

Mr. BORAH. The Senator seems to think that he could not save any land unless he came to Washington. That was the object of all the lawsuits in Montana, to save his lands.

Mr. STERLING. It was not to perfect titles to the lands.

Mr. BORAH. But it was to save his land.

Mr. STERLING. Here is the other statement. The Senator did not hear this, evidently. He just came in:

He further informed me that the firm of Wheeler & Baldwin would attend to the perfecting of these defective titles, and would attend to such other litigation as might be necessary in connection therewith.

That is his statement.

Mr. BORAH. Is that the affidavit of Mr. Harvey?

Mr. STERLING. That is the affidavit of Mr. Harvey; yes.

Mr. BORAH. Does the Senator contend there was only one class of titles involved here, and that they were pending at Washington?

Mr. STERLING. Oh, no; there might have been titles to property on patented lands.

Mr. BORAH. And so there were, and the title to all this property was really involved. It was a question of perfecting titles with reference to all of it, but the titles did not have to be perfected here at Washington, and there were no titles perfected here at Washington. It was simply a question of adjusting the leases.

Mr. STERLING. What was all this correspondence about? Why did Mr. Booth make out the list of all the permits and

send it, with instructions and suggestions as to what should be done in regard to perfecting them?

Mr. BORAH. Mr. Booth sent out this information, which was called for, that is true; but so far as perfecting titles with which Mr. WHEELER was connected is concerned the evidence shows very clearly the evidence related to the titles which were involved in the litigation in Montana.

Mr. STERLING. Not all of it. Some of the testimony may have shown that, that may have been contended, but I say the language of this affidavit of Mr. Harvey does not imply that, but it implies the perfecting of all titles, whether they were titles to property on patented lands or whether they were titles to property on Government lands, and the correspondence here shows—and it connects Mr. WHEELER with it, too—that it was with reference to permits.

Mr. BORAH. Was this indictment founded upon an affidavit before the grand jury?

Mr. STERLING. I do not think it was.

Mr. BORAH. The Senator is now appealing to pure hearsay testimony.

Mr. STERLING. I am appealing to the record that was made and to evidence that was admitted.

Mr. BORAH. Pure hearsay testimony, which was introduced, to which the attention of the witness was never called, which was never before the grand jury, which was not made in the presence of Mr. WHEELER, and by the statements in which he is in no sense bound. It is just the same kind of testimony as if somebody should stand outside of this Chamber and say that the Senator from South Dakota was guilty of misconduct as an officer.

Mr. STERLING. Mr. President, the affidavit of Mr. Harvey was admitted to the record under conditions something like these: It was stated by the chairman of the committee, the Senator from Idaho, that this was an affidavit; that the original of this affidavit he thought was on the way here at the time. I said the affidavit ought to go in the record. He said that if it was insisted that the affidavit should go into the record he thought we ought to subpoena Mr. Harvey, and I said that if Mr. Harvey had to be subpoenaed before this affidavit went into the record I should ask for a delay until Mr. Harvey could get here, because I wanted the affidavit to go into the record. Mr. Harvey was a trustee—

Mr. BORAH. Mr. President, if the Senator will refresh his recollection by reading the RECORD, he will find that the Senator from Idaho did not say that the original of the affidavit was on the way. I said the original of the letter of Colonel Williard was on the way. But the Senator should state further that when the Senator from South Dakota insisted upon putting in this hearsay testimony, I said that I would not object to it going into the RECORD, but the RECORD discloses that I stated at the time that it was pure hearsay, that Mr. WHEELER was not bound by it, and that if the Senator wanted to rely upon hearsay testimony, he could do so if he desired.

Mr. STERLING. I think the Senator said it was not relevant. That was one objection he made. But I say it is relevant.

There are a number of matters in the record and some documentary evidence to which I would like to call attention, but I confess to being a little weary. I am going to close with the statement I have made. I think I have made evident my position in regard to the matter. It seems to me an absurd proposition, if I may so characterize it, for the Senate, on the report of a committee, to come in and try the question of the guilt or innocence of any Member of this body, an indictment having been found by a grand jury against him. It is absolutely without precedent, without a parallel, and to what will it lead? I am quite satisfied that the question will come back to plague us again and again if we start out now upon a course of this kind.

I would like to have the Senate bear in mind the illustrations I gave near the beginning of my remarks. Of course, the present case is an illustration of one side of it. It would give to Senator WHEELER, if the majority report of the committee is agreed to, a privilege, a right, an advantage that no other citizen would have.

This finding, of course, and the report already have gone out, and every man in Montana qualified to sit on a jury probably will have heard of it. What will be the position of the Government in a case of that kind? Are you dealing fairly and justly by your Government? Are you pursuing a course that will create satisfaction and content among the people when they learn that by this course a jury impeached and sworn to try the cause have been prejudiced and caused to prejudge the case by what has occurred here in the Senate of the United States? I hope we will think of the consequences of action of this kind. On the other hand, taking the other illustration, he

is a poor man belonging to the minority and the minority is a very small minority in the Senate, but it is an era of prejudice, party spirit runs high, and the majority say, "Here, this man has been indicted. Let us try him and see whether he is guilty or not."

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. STERLING. I yield.

Mr. WALSH of Montana. I remember that that possibility was the subject of consideration in the Constitutional Convention, but it was answered by saying, "We will make the requirement two-thirds of the Members of the Senate," and it is fairly to be assumed that party spirit will never run so high that two-thirds of the Senate will expel a Member without just cause.

Mr. STERLING. When it comes to the matter of expulsion, that is not exactly involved in this case. The question of expulsion might arise in this case should the Senate find otherwise.

Mr. WALSH of Montana. Suppose the committee had reported that Senator WHEELER was guilty; what would be the necessary consequence?

Mr. STERLING. Then the next question would have been the question of expulsion, I grant.

Mr. WALSH of Montana. Of course, it would have been the question of expulsion.

Mr. STERLING. I grant that; but that shows the evil of pursuing a course of this kind.

Mr. WALSH of Montana. The Senate has no power except with reference to expulsion.

Mr. STERLING. That is true; but the Senate's power extends to every part of the United States where the action of the Senate is known. Its influence so extends. What it does and what it says by its formal vote or action here is bound to have its influence on the people of the United States.

What have they done over in the House in the Langley case, just called to my attention a few moments ago? I had forgotten about it, but I understand that this is the situation: The committee there, of which former Senator BURTON, of Ohio, is at the head, refused to go ahead with the investigation until the matter has been determined by a jury.

Mr. WALSH of Montana. Mr. LANGLEY was not at the time engaged in prosecuting an inquiry vigorously against the Department of Justice that procured the indictment.

Mr. STERLING. That is aside. That does not go to the principle of the thing at all.

Mr. WALSH of Montana. I shall discuss the principle a little later.

Mr. STERLING. That does not go to the principle. I am not here going into the motives of men at all. I am talking now for the time and in a sense, Senators, I am pleading, not only talking, that we do not adopt this precedent in this case. As I suggested awhile ago, a solution of mine would be to let the matter remain in abeyance, stand where it is in the Senate now without asking for a vote until the matter has been tried by a jury. I shall hope that Senator WHEELER is acquitted; that he will be able to explain and refute everything that has been said; but I can not go over the evidence, as I have said before, examine it, having heard the greater part of it, without coming to the conclusion that there was at least enough to warrant the grand jury in returning the indictment against Mr. WHEELER.

He will have full opportunity now to explain everything. If he remains here with that indictment pending, he will do differently—and I shall not object—from what other Members of the House and of the Senate have done who, when an indictment had been lodged against them, retired and awaited trial without participating in the work of the Senate. But I shall not object or say one word against Mr. WHEELER performing every duty that devolves upon him as a Senator of the United States.

Mr. BROUSSARD. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Louisiana?

Mr. STERLING. I yield.

Mr. BROUSSARD. Was not the resolution to investigate this matter adopted by the Senate after the indictment had been returned?

Mr. STERLING. Oh, yes; it was.

Mr. BROUSSARD. Did the Senator object to that resolution?

Mr. STERLING. No; I interposed no objection.

Mr. BROUSSARD. The Senator served on the committee?

Mr. STERLING. I am sorry to say I did not interpose an objection.

Mr. BROUSSARD. The Senator has made a report to the Senate, and we must act upon it.

Mr. STERLING. Let the Senator from Louisiana bear with me while I say that I let it go partly out of sympathy with the idea that possibly there had been an intentional frame-up and misconduct upon the part of Government officials or those representing the Department of Justice, as charged by Senator WHEELER. That was the feeling I had, for if there is anything I despise from the bottom of my heart it is anything like that. The committee will remember that when a particular name was about to be mentioned by a witness I put a stop to his testimony at that instant. I would not have nor stand for it, because it involved—well, I will not say what or whom just now.

So, Mr. President, with what I have said I conclude my discussion of the case, the last thing to express being the hope that the action of the Senate will be to hold in abeyance both of the reports here made, and let the law and the orderly processes of the law take their course. I do not see how we can consistently, wisely, or constitutionally do otherwise.

Mr. BORAH. Mr. President, I want to put in the Record in connection with the speech of the Senator from South Dakota [Mr. STERLING] just a paragraph from the evidence. The Senator referred to the testimony of Mr. Harvey, but he did not go to the record where Mr. Harvey was sworn and testified and was cross-examined. He took an affidavit which had been made under the direction of certain influences and persons in Montana and read from that affidavit; but Mr. Harvey appeared here and testified; he was examined and cross-examined. He was one of the trustees of this institution. As trustee he was called upon to ratify the contract made with Mr. WHEELER, and he was specifically asked what the contract was, as he understood it. He made inquiry as trustee as to what it was, and this is what he testified to:

The CHAIRMAN. As I understand, it became your duty as trustee to approve of this contract?

Mr. HARVEY. To ratify it; yes, sir.

The CHAIRMAN. Now you may state, Mr. Harvey, what that contract of employment was and the scope of the employment which Mr. WHEELER was given.

Mr. HARVEY. You mean the entire thing he was employed for?

The CHAIRMAN. Yes.

Mr. HARVEY. So far as I know. Well, Mr. WHEELER's employment, as far as I knew, was only to appear in a suit for receivership filed by L. C. Stevenson against the syndicate; and also to appear, or bringing some other actions that we contemplated bringing, in behalf of the syndicate. That was everything that I knew anything about that he was employed for.

The CHAIRMAN. Was Mr. Glosser present when this ratification took place?

Mr. HARVEY. I think he was.

The CHAIRMAN. Was anything said to the effect that that contract covered any other matter than that which you have now stated?

Mr. HARVEY. No, sir; absolutely none.

The CHAIRMAN. Did you ever know, as trustee of this syndicate, of any other employment of Mr. WHEELER for any other purpose than that which you have designated?

Mr. HARVEY. Absolutely none.

Mr. NORRIS. Mr. President, the Senator from South Dakota [Mr. STERLING], with an eloquence often common to him, has beseeched his fellows here in the Senate that in the consideration of the Wheeler matter we should banish from our hearts and our souls all thought of partisanship. For the benefit of the Senator from South Dakota particularly, I want to read, commencing with the third verse of the seventh chapter of Matthew:

And why beholdest thou the mote that is in thy brother's eye, but considerest not the beam that is in thine own eye?

Then skipping three words of the fifth verse, I read again:

Cast out the beam out of thine own eye; and then shalt thou see clearly to cast out the mote out of thy brother's eye.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the joint resolution (S. J. Res. 89) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are

necessary for the use and benefit of the National Guard of the State of Arkansas, with an amendment, in which it requested the concurrence of the Senate.

WAR DEPARTMENT APPROPRIATIONS

The PRESIDING OFFICER (Mr. OVERMAN in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 7877) making appropriations for the military and non-military activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WADSWORTH. I move that the Senate insist upon its amendments, consent to the conference requested by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. WADSWORTH, Mr. JONES of Washington, Mr. SPENCER, Mr. FLETCHER, and Mr. HARRIS conferees on the part of the Senate.

FAMILY OF LIEUT. HENRY N. FALLON, RETIRED

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 946) for the relief of the family of Lieut. Henry N. Fallon, retired, which were, on page 1, line 4, to strike out "the family" and to insert "Amy L. Fallon, mother"; on page 1, line 7, to strike out "them" and to insert "her"; page 1, line 8, strike out "their" and to insert "her," and to amend the title so as to read: "An act for the relief of Amy L. Fallon, mother of Lieut. Henry N. Fallon, retired."

Mr. WALSH of Massachusetts. I move that the Senate concur in the amendments of the House.

Mr. WADSWORTH. Will the Senator state the effect of the amendments?

Mr. WALSH of Massachusetts. The House amendments changes the payment from a payment to the family of the lieutenant to his mother who is really entitled to the reimbursement.

The amendments were concurred in.

NATIONAL GUARD BUILDINGS AT CAMP PIKE, ARK.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 89) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas, which was to strike out the preamble.

Mr. CARAWAY. I move that the Senate concur in the amendment of the House. It merely strikes out the whereas.

Mr. WADSWORTH. The House made no change in the body of the joint resolution?

Mr. CARAWAY. Absolutely none.

Mr. WADSWORTH. I have no objection to concurring in the amendment of the House.

The amendment was concurred in.

NORTHERN PACIFIC LAND GRANTS

Mr. LADD. Mr. President, I ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 237) directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes. The joint resolution has been reported from the Committee on Public Lands and Surveys with amendments, and will, of course, have to go back to the House. The Department of Agriculture is very much interested in having it enacted into law during this session.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota?

Mr. ROBINSON. To what does the joint resolution refer?

Mr. LADD. It is a joint resolution which provides for the appointment of a committee to investigate the land holdings of the Northern Pacific Railroad, asked for by the Secretary of the Interior and the Secretary of Agriculture, and approved by the President.

Mr. EDGE. I do not wish to object, but in order that it may be clearly understood that the various matters which are receiving the consideration of the Senate do not interfere with the unfinished business, I have no objection, following the practice necessary under parliamentary usage, to having the unfinished business temporarily laid aside with the understanding that it will be restored to its present status as the unfinished business before the Senate.

The PRESIDING OFFICER. Without objection, the unfinished business is temporarily laid aside. Is there objection to the request of the Senator from North Dakota?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which had been reported from the Committee on Public Lands and Surveys with amendments on page 1, in line 4, to strike out "1927" and insert "1925"; on page 2, in line 12, after the word "shall," insert the words "unless further extended"; in line 13, to strike out "1927" and insert "1925"; and in line 14, after the word "adjudicated," to insert the words "at the direction of Congress," so as to make the joint resolution read:

Resolved, etc., That the Secretary of the Interior is hereby directed to withhold until March 4, 1925, his approval of the adjustment of the Northern Pacific land grants under the act of July 2, 1864, and the joint resolution of May 31, 1870, and he is also hereby directed to withhold the issuance of any further patents and muniments of title under the said act and the said resolution or any legislative enactments supplemental thereto or connected therewith, until after Congress shall have made a full and complete inquiry into the said land grants and the acts supplemental thereto for the purpose of considering legislation to meet the respective rights of the Northern Pacific Railroad Co. and its successors and the United States in the premises: *Provided*, That this act shall not prevent the adjudication of any claims arising under the public land laws where the claimants are not seeking title through the grants to the Northern Pacific Railroad Co. or its successors, or any acts in modification thereof or supplemental thereto: *Provided further*, That the inhibition against the approval of said land grants and the issuance of patents and muniments of title thereunder shall, unless further extended, terminate on March 4, 1925, unless on said date said land grants and the proceedings thereunder are being adjudicated at the direction of Congress in the courts, in which event the approval of said land grants and the issuance of patents and muniments of title shall await the final adjudication thereof.

SEC. 2. The Secretary of the Interior is hereby directed to advise Congress of the status of the said Northern Pacific land grants, recommending such action as he believes right and proper for the further adjustment thereof.

SEC. 3. That a joint committee of both Houses of Congress is hereby created to be composed of five Members of the Senate to be appointed by the President thereof and five Members of the House of Representatives to be appointed by the Speaker of that body. Any vacancy occurring on the committee shall be filled in the same manner as the original appointment. The said committee is hereby empowered and directed to make a thorough and complete investigation of the land grants of the Northern Pacific Railroad Co., and its successor, the Northern Pacific Railway Co., under the act of July 2, 1864 (13 Stats. p. 365), and the joint resolution of May 31, 1870 (16 Stats. p. 378), and any other acts of Congress supplemental thereto or connected therewith, and the facts and the law pertaining thereto and arising therefrom, and to report to Congress its conclusions and recommendations based thereon. Said committee or any subcommittee thereof is hereby empowered to sit and act during the session or recess of Congress or of either House thereof in the District of Columbia or elsewhere in the United States; to require by subpoena or otherwise the attendance of witnesses and the production of books, documents, and papers; to take the testimony of witnesses under oath; to obtain documents, papers, and other information from the several departments of the Government or any bureau thereof; to employ stenographers to take and to make a record of all evidence taken and received by the committee and to keep a record of its proceedings; to have such evidence, record, and other matter required by the committee printed and suitably bound; and to employ such assistance as may be deemed necessary. The chairman of the committee or any member thereof may administer oaths to witnesses. Subpoenas for witnesses shall be issued under the signature of the chairman of the committee or the chairman of any subcommittee thereof. And in case of disobedience to a subpoena this committee may invoke the aid of any court of the United States or of the District of Columbia within the jurisdiction of which any inquiry may be carried on by said committee in requiring the attendance and testimony of witnesses, and the production of books, papers, and documents under the provisions of this resolution. And any such court within the jurisdiction of which the inquiry under this resolution is being carried on may in case of contumacy or refusal to obey a subpoena issued on any person under authority of this resolution issue an order requiring such person to appear before said committee and produce books and papers, if so ordered, and give evidence touching the matter in question, and any failure to obey such order of the court may be punished by such court as a contempt thereof. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who having appeared refuses to answer any question pertinent to the investigation herein authorized, shall be deemed guilty of a misdemeanor and upon conviction thereof be punished by a fine of not more than \$1,000 and imprisonment for not more than one year.

The sum of \$50,000, or so much thereof as may be necessary, is hereby authorized to be appropriated, out of any money in the Treas-

ury not otherwise appropriated, to pay the necessary expenses of said joint committee, the sum to be disbursed by the secretary of the committee upon vouchers to be approved by the chairman of the committee.

The amendments were agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the joint resolution read a third time.

The joint resolution was read the third time, and passed.

NAVAL APPROPRIATIONS—CONFERENCE REPORT

Mr. HALE. I ask unanimous consent that the Senate proceed to the consideration of the conference report on the naval appropriation bill which is now upon the table. I ask that the unfinished business may be temporarily laid aside for that purpose.

The PRESIDENT pro tempore. In the absence of objection the unfinished business will be laid aside, and the Chair lays before the Senate the conference report on the naval appropriation bill, which has heretofore been read.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 10, 18, 21, 32, 41, 46, 47, 49, and 64.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 7, 12, 13, 14, 15, 16, 17, 23, 26, 27, 33, 34, 35, 37, 38, 39, 42, and 61, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$2,550,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "\$3,400,826; for aviation material, equipment, fuel, and rental of hangars, \$320,174; in all, \$3,900,000, not more than \$1,242,289 of"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$62,500"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$17,550,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$2,100,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "Provided further, That no part of this or any other appropriation contained in this act shall be available for maintaining in commission, exclusive of vessels of other types, more than 4 cargo ships, 2 transports, and 1 ammunition ship, unless, in case of emergency, the President should otherwise direct. Nothing in this proviso shall be construed to hinder the return of any vessel to the port where it will be decommissioned"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "plant appliances as now defined by the 'Navy Classification of Accounts'"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "And provided further, That in computing for any purpose the length of service of any officer of the Navy, of the Marine Corps, of

the Coast Guard, of the Coast and Geodetic Survey, or of the Public Health Service, who was appointed to the United States Naval Academy or to the United States Military Academy after March 4, 1913, the time spent at either academy shall not be counted"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "in all, \$50,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "No officer of the Navy or Marine Corps, while on leave of absence engaged in a service other than that of the Government of the United States, shall be entitled to any pay or allowances for a period in excess of that for which he is entitled to full pay, unless the President otherwise directs"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "\$1,385,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "\$8,911,800"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "and limiting the number of officers and enlisted men"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "and that no part of the moneys herein appropriated for the Naval Establishment or herein made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article or articles, that at the time of the proposed repair, purchase, or acquirement, can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States, when time and facilities permit, and when, in the judgment of the Secretary of the Navy, such repair, purchase, acquirement, or production, would not involve an appreciable increase in cost to the Government"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 8, 25, 28, 30, 31, 40, 43, 44, 45, 48, 50, 51, 52, 53, 54, 55, 59, and 60.

FREDERICK HALE,
LAWRENCE C. PHIPPS,
CLAUDE A. SWANSON

(With exception of Senate amendment No. 64, which I insist upon).

Managers on the part of the Senate.

BURTON L. FRENCH,
GUY U. HARDY,
JOHN TABER,
JAMES F. BYRNES

(Not in agreement on amendment No. 64).

W. B. OLIVER

(Not in agreement on amendment No. 64).

Managers on the part of the House.

The PRESIDENT pro tempore. The question is upon agreeing to the conference report.

Mr. NORRIS. Mr. President, I had hoped that the Senator from Tennessee [Mr. McKELLAR] would be here when the conference report was taken up. I had my attention called to one item in the conference report, but since that has occurred I have conferred with quite a number of Senators on the particular change in the Senate amendment that has been made by the conference report. I was at first going to ask that we delay the consideration of the conference report until the Senator from Tennessee, who was the author of the amendment that has been modified, could be here, but after conferring with a number of Senators in regard to the modification I have reached the conclusion that it was not so important as I had been led to believe it was; and even regardless of that, as a result of

conference with Senators who were friendly to the attitude taken by the Senator from Tennessee and myself, I reached the conclusion that it would be useless to try to change the amendment, which would necessarily bring about the rejection of the conference report. So I myself am not going to make any further objection to the conference report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

The PRESIDENT pro tempore. The Chair lays before the Senate the action of the House of Representatives on certain Senate amendments, which will be read.

The reading clerk read as follows:

Resolved, That the House recedes from its disagreement to the amendments of the Senate Nos. 30, 31, 44, 45, 55, and 59 to the bill (H. R. 6820) entitled "An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes," and concurs therein.

That the House recede from its disagreement to the amendment of the Senate No. 8, and concur therein with an amendment, as follows: In line 1, of the matter inserted by said amendment, after the word "That," insert the following: "until June 30, 1925."

That the House recede from its disagreement to the amendment of the Senate No. 25, and concur therein with an amendment, as follows: At the beginning of the matter inserted by said amendment, insert the following: "during the fiscal year 1925."

That the House recede from its disagreement to the amendment of the Senate No. 28, and concur therein with an amendment, as follows: Restore the matter stricken out by said amendment to read as follows: "Provided further, That hereafter upon the presentation of satisfactory evidence as to his age and upon application for discharge by his parent or guardian presented to the Secretary of the Navy within 60 days after the date of his enlistment, any man enlisted after July 1, 1924, in the naval service or Marine Corps, under 21 years of age who was enlisted without the written consent of his parent or guardian, if any, shall be discharged for his own convenience."

That the House recede from its disagreement to the amendment of the Senate No. 40, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert: "; repair and fitting out pier (limit of cost, \$1,190,000), \$250,000; in all, \$350,000."

That the House recede from its disagreement to the amendment of the Senate No. 43, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert: "marine railway accessories house, \$20,000; in all, \$198,000."

That the House recede from its disagreement to the amendment of the Senate No. 48, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert: "; storage for torpedoes, \$140,000; in all, \$155,000."

That the House recede from its disagreement to the amendment of the Senate No. 50, and concur therein with an amendment as follows: In line of the matter inserted by said amendment insert:

"Supply depot, Marine Corps, San Francisco, Calif.: Construction of extensible building, including grading of site, \$500,000, no part of such sum to be obligated until the Secretary of the Navy shall have determined that it is adequate completely to construct, equip, and otherwise make said building ready for occupancy and use, including the preparation and final conditioning of site: *Provided*, That the Secretary of the Treasury is hereby authorized to transfer to the Navy Department a tract of land situated in the city of San Francisco, Calif., consisting of four 50-vara lots fronting 275 feet on the north side of Harrison Street, and extending back, bounded by Spear and Main Streets 275 feet, for use as a site for the building herein authorized."

That the House recede from its disagreement to the amendment of the Senate No. 51, and concur therein with an amendment as follows: In line 2 of the matter inserted by said amendment, strike out "\$410,000" and insert in lieu thereof "\$500,000."

That the House recede from its disagreement to the amendment of the Senate No. 52, and concur therein with an amendment as follows: After the word "Provided" in the first line of said amendment insert "further."

That the House recede from its disagreement to the amendment of the Senate No. 53, and concur therein with an amendment as follows: After the word "Florida" in the last line of said amendment insert the following: "; and such additional water supply is hereby authorized: *Provided*, That the sum of \$150,000 hereinbefore appropriated for new construction, buildings, and improvements at air station, Pensacola, Fla., shall not be available until the Secretary of the Navy shall determine that in his judgment a water system capable of furnishing an adequate supply of water for such station can be completed within the limits of the funds herein provided, and until the Secretary of the

Navy, at the direction of the President, has accepted the conveyance of lands and rights of way as herein authorized."

That the House recede from its disagreement to the amendment of the Senate No. 54, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert: "Until June 30, 1925, if for any cause the number of civilian professors or instructors employed in the United States Naval Academy on January 1, 1924, shall be reduced after such latter date, no commissioned officer of the Navy shall be detailed or allowed to teach the subject or subjects theretofore taught by such civilian professors or instructors whose service connection with the academy may have been so terminated: *Provided*, That in reducing the number of civilian professors no existing contract shall be violated: *Provided further*, That no civilian professor, associate or assistant professor, or instructor shall be dismissed, except for sufficient cause, without six months' notice to him that his services will be no longer needed."

That the House recede from its disagreement to the amendment of the Senate No. 60, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert: "toward the construction of one fleet submarine (mine-laying type) heretofore authorized, to have the highest practicable speed and greatest desirable radius of action and to cost not to exceed \$5,800,000 for construction and machinery and \$850,000 for armor, armament, and ammunition; and the Secretary of the Navy shall have prepared plans and estimates of cost of a scouting submarine and a submarine capable of accompanying the fleet, each to have the highest practicable speed and greatest desirable radius of action, such plans and estimates to be in readiness for submission to Congress on the first day of the next regular session."

Mr. HALE. I move that the Senate concur in the amendments of the House of Representatives to the amendments of the Senate.

The motion was agreed to.

POSTMASTERS AND POSTAL EMPLOYEES

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service.

The PRESIDENT pro tempore. The question is on the amendment reported by the Committee on Post Offices and Post Roads in the nature of a substitute for the bill.

Mr. BORAH. Mr. President, what is the bill now before the Senate?

Mr. WADSWORTH. It is the Postal Service bill.

The PRESIDENT pro tempore. The unfinished business is before the Senate.

Mr. BORAH. But that is only technically before the Senate.

Mr. EDGE. I agree with the Senator from Idaho.

Mr. WALSH of Montana. Mr. President—

Mr. BORAH. I yield to the Senator from Montana.

Mr. WALSH of Montana. I do not know what the purpose of the Senate is with respect to discontinuing business at this time, but I desire to discuss the matter which has been before the Senate during the afternoon at some length.

Mr. BORAH. Mr. President, it is apparent that we can not conclude this matter to-night, and I do not suppose that we want to continue in session. It is now half past 5 o'clock. I am about to move that the Senate take a recess until to-morrow at 12 o'clock.

Mr. EDGE. Will the Senator withhold that motion for a moment? I should like to suggest that, inasmuch as the unfinished business is not a long bill and the amendment is in the nature of a substitute for the bill, I think it would be in order to have it read, and I had hoped that the Senate would remain in session long enough to have the amendment read. I shall not ask the Senate to act on the amendment, but after it shall have been read, then any amendment that any Senator may wish to submit will be in order, but we will at least have reached that stage. When that shall have been done, it was my intention to move a recess until 12 o'clock to-morrow.

Mr. BORAH. The Senator from Utah is not here, and he wants to be here.

Mr. EDGE. Not at this stage, I am quite sure, because there is nothing that he could do under the request already granted that the formal reading of the bill be dispensed with and that the bill be read for amendment, the committee amendment to be first considered. As I have explained, the amendment is in the nature of a substitute for the entire bill, but necessarily under the rules it must be read. When that shall have been done, I will not make any effort to-day to have the committee amendment adopted, but the bill will then be open to amendment offered by any Senator on the floor.

Mr. WALSH of Montana. I suggest to the Senator from New Jersey that in that case he make the request in a different form, namely, that the reading of the amendment proposed be dispensed with.

Mr. EDGE. I have already asked and received unanimous consent that the formal reading of the bill be dispensed with and that the bill be read for the purpose of the committee amendment, which, as I understand, is the usual form.

Mr. WALSH of Montana. Then I suggest to the Senator that he make a further request that the reading of the amendment in the nature of a substitute be dispensed with.

Mr. EDGE. I am ready to do that; and I ask unanimous consent that the reading of the amendment in the nature of a substitute be dispensed with and that the bill when taken up be subject to amendment.

Mr. OVERMAN. I do not think, Mr. President, that is exactly fair. There may be some Senators who desire to amend the amendment.

Mr. WADSWORTH. They will have an opportunity to do so.

Mr. EDGE. Under the unanimous-consent agreement an opportunity will be afforded them to do that.

Mr. OVERMAN. But if the Senator secures unanimous consent to dispense with the reading of the amendment at this time, I think that would be unfair to absent Senators who may desire to offer amendments to it.

Mr. EDGE. My request for unanimous consent, if I may say so to the Senator from North Carolina, and which was made upon the suggestion of the Senator from Montana, is simply to waive the reading of the amendment, so that when the unfinished business shall be really before the Senate more than technically, any Senator may offer any amendment to any part of it.

Mr. OVERMAN. The reading could have been completed by this time; it will not take long to read it.

The PRESIDENT pro tempore. The Chair understands the Senator from New Jersey asks unanimous consent that the reading of the amendment reported by the committee may be dispensed with.

Mr. OVERMAN. I shall object to that, since I know some Senators are interested in having the amendment read.

The PRESIDENT pro tempore. Objection is made. The Secretary will read the amendment.

URGENT DEFICIENCY APPROPRIATIONS

Mr. WARREN. Mr. President, I was about to ask the Senator who is in charge of the unfinished business to yield to me for a moment in order to complete the consideration of an appropriation bill which was interrupted on day before yesterday by a Senator who has since told me that he has no objection to the bill being taken up and completed. There is only one more amendment to be offered to the bill, and then, so far as I know, it may be passed.

The PRESIDENT pro tempore. It will be necessary that the pending bill be laid aside before the Senate can take up the bill suggested by the Senator from Wyoming.

Mr. WARREN. I assumed that the Senator from New Jersey would take that course.

Mr. EDGE. Very well, Mr. President, for the purpose indicated I have no objection, and I ask unanimous consent that the unfinished business may be temporarily laid aside, in order that the Senate may consider the measure which the Senator from Wyoming desires to bring to its attention.

Mr. ROBINSON. Mr. President, I will inquire if the bill in charge of the Senator from Wyoming is the measure in which the Senator from Utah [Mr. KING] is interested?

Mr. WARREN. It is the bill the Senator from Utah objected to, but he has since told me that he had no objection to its consideration and passage.

Mr. ROBINSON. I merely wanted to make sure as to that. I observed that the Senator from Utah was absent from the Chamber and I felt in duty bound to give him an opportunity to be present.

Mr. WARREN. Of course, I would not take advantage of the absence of the Senator from Utah. I had an understanding with him.

Mr. ROBINSON. I know the Senator would not do that.

The PRESIDING OFFICER. Is there objection to laying aside temporarily the unfinished business? The Chair hears none, and it is so ordered.

Mr. WARREN. I will say that there was an amendment pending when the bill was laid aside. That amendment refers to a fund which I believe expires to-day. I have no objection to the amendment going on the bill, subject, of course, to its consideration in conference.

The PRESIDENT pro tempore. Does the Senator from Wyoming ask that the appropriation bill be taken up for consideration? The bill is not before the Senate as yet.

Mr. WARREN. I supposed that it was before the Senate. I ask that it may be considered at this time.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDENT pro tempore. The pending amendment, proposed by the Senator from Delaware [Mr. BAILL], will be stated.

The READING CLERK. On page 2, after line 2, it is proposed to insert the following:

Any unexpended balances of appropriations made for the rent commission of the District are hereby reappropriated and made available during the life of said commission.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

POSTMASTERS AND POSTAL EMPLOYEES

Mr. EDGE. Mr. President, I request that the unfinished business be now placed before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees of the Postal Service.

ANNIVERSARY OF ENACTMENT OF HOMESTEAD LAW (S. DOC. NO. 113)

Mr. CAMERON. Mr. President, 62 years ago this day a new epoch occurred in this country. It was the dawn of a new era of national prosperity, and the settlement of the West, to come into its full being when the Civil War, which rocked the Nation at the time, should cease.

To-day is the sixty-second anniversary of the enactment of the homestead law. The part which this generous act has played in the upbuilding of the western portion of our country is unparalleled in the history of any government. The story of the United States homestead act, and its manifold benefits to the people and prosperity of the country is interestingly and authoritatively portrayed in an article written by Mr. George R. Wickham, Assistant Commissioner of the General Land Office.

I request that this article be printed as a Senate document, that the people of the United States may keep afresh in their minds the great heritage left them by Abraham Lincoln, when, on May 20, 1862, he affixed his signature to a law which stands out so conspicuously as a landmark to the wonderful prosperity of our country.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the article will be printed as a public document.

Mr. FLETCHER. Mr. President, what is the request? There is a rule about the printing of public documents. I do not know what this is. The rule and the law is—we can not get away from it—that in order to make a matter a public document we must have an estimate of cost submitted along with the application. I do not know what this is.

Mr. CAMERON. I will show it to the Senator.

Mr. FLETCHER. I observe that it is not very long, so I will simply call attention to that fact. I have no objection.

ADDRESS BY DR. NICHOLAS MURRAY BUTLER

Mr. WADSWORTH. Mr. President, I ask unanimous consent that there be printed in the RECORD a copy of an address delivered by Dr. Nicholas Murray Butler.

Mr. ROBINSON. Mr. President, we can not hear a word of the proceedings.

Mr. WADSWORTH. I am asking unanimous consent that there be printed in the RECORD a copy of an address delivered by Dr. Nicholas Murray Butler, the president of Columbia University, a few days ago on a matter of considerable interest to a great many citizens.

The PRESIDENT pro tempore. Is there objection?

Mr. DIAL. Mr. President, I question whether we ought to grant that permission or not. What is the subject? Will the Senator tell me?

Mr. WADSWORTH. The eighteenth amendment.

Mr. DIAL. I object, Mr. President. We had a speech the other day from that gentleman, and I feel that it ought not to be circulated throughout the United States in the CONGRESSIONAL RECORD. When we have presidents of institutions of learning teaching young men how to drink whisky we do not want to distribute their utterances through the columns of the Record.

The PRESIDENT pro tempore. Objection is made.

ALLEGED CORRUPT ELECTION PRACTICES

Mr. WALSH of Massachusetts. Mr. President, I desire to call the attention of the Senate for a brief time to a matter that has been called to my attention by the mayor of the city of Boston. It relates to corrupt practices in national elections.

I doubt if the Senate and the country is aware that there is probably no Federal corrupt practices law applicable to the election of United States Senators that is constitutional. The Federal corrupt practices law was passed before United States Senators were elected by popular vote as a result of a constitutional amendment. It also was passed before the Newberry case was decided by the Supreme Court. Part of the act was declared unconstitutional in the Newberry decision—that part of it which it was believed applied to primary elections. It is probable that the whole law is unconstitutional by reason of the fact that it was passed before the constitutional amendment providing for the election of Senators by direct vote of the people. The result is that we are facing a national election with practically no Federal corrupt practices of law to control or limit the expenditure of moneys or campaign funds by candidates or political parties.

On April 10 I submitted a resolution calling the attention of the Senate to the absence of law regarding the collection of contributions between elections and other irregularities. In that resolution I asked the Committee on Privileges and Elections to give some attention to this important subject and to report a bill for the Senate's consideration. In January the Senator from Oklahoma [Mr. OWEN] presented a very carefully drawn bill providing for a corrupt practices law that would be effective in regulating our elections. Up to the present time no action has been taken by this committee upon either of these measures.

Very recently the mayor of the city of Boston sent me a communication calling my attention to what he believed were abuses of the corrupt practices act or, at least, improper practices in collecting money for the approaching campaign.

The State of Massachusetts has a good corrupt practices law. If the allegations made by the mayor are taking place in Massachusetts and are illegal, they can be prosecuted under the act of that State. In my opinion they can not be prosecuted under any Federal law. In fact, there is, unfortunately, no Federal law which reaches the regulation of campaign funds and expenditures for the election of President or Vice President. It is doubtful if such a law would be constitutional because of the fact that the several States elect the electors who elect the President.

I have no personal knowledge of the methods being employed in Massachusetts to raise campaign funds, but the mayor's letter does disclose a situation there which indicates that an unusual effort is being made by unusual means to raise large sums of money for the Republican campaign. Since his first letter he has written me a second letter stating that attempts are being made to organize all the varied business interests of that State to raise systematically a very large campaign fund. One letter being circulated for funds by an industrial group alleged that in 1920 Massachusetts contributed \$500,000 to the election of President Harding, and it makes an appeal that the funds to be raised for President Coolidge should be larger, by reason of the fact that he is a citizen of that State. It is possible that a million dollars may be raised in Massachusetts alone. It is easy to conceive the possibility of a fund being raised reaching into many millions throughout the Nation. It is evident from these letters that the industries of the country are to be solicited without any consideration of their being beneficiaries in tariff and other legislation. Will they contribute toward the cause of good government or in the hope of paying for special favors received or to be received in the future?

I have called attention to this matter because I am going to present Mayor Curley's letters in the nature of petitions and ask that they be referred to the Committee on Privileges and Elections, and I have myself drawn a resolution, which I shall present, calling attention to the chaotic and unsatisfactory state of our Federal law. In view of our experience with the Newberry case, in view of the fact that we practi-

cally have no Federal law that is enforceable, and even some States have no corrupt practice law, I urge that this committee take immediate action in order that we may go into the coming campaign with the Congress indicating a desire for an honest election. Let us not adjourn until some attempt to regulate and control the raising of campaign funds and the expending of campaign contributions has been made. We should not place the Congress before the American people in the light of indifference to the importance of honest and pure elections.

The various States have corrupt practices acts. The State of Massachusetts limits to \$1,000 the amount that any individual can contribute; but I note in this letter which the mayor has written that the solicitor makes a statement which, I believe, is in the very teeth of the law, to wit, that the contributors can give as much as they desire, and that the solicitor will see that the sum contributed is so distributed that it will be within the statutory provisions.

Mr. WALSH of Montana. Mr. President, will the Senator read that part of the letter?

Mr. WALSH of Massachusetts. In this letter, which has been circulated by a committee in the interest of the election of the President, this statement is made:

There is no limit to the amount an individual may give the committee.

Notwithstanding the fact that the law of Massachusetts limits to \$1,000 the amount that may be given for all election purposes by an individual.

Large contributions will be so divided as to give full observance to the requirements of the statutes.

It seems to me that that expression is very clearly in the teeth of the law. Making that statement may not be a violation of law, but certainly the solicitor who receives a sum of money and does not report the exact sum that was paid to himself would be violating, as I understand it, the corrupt practices act of the State of Massachusetts and possibly the Federal law. If it is not illegal to state what is in that circular letter, it certainly would be illegal to do what was promised.

Mayor Curley, justifiably indignant over such methods, has asked me to inaugurate an investigation. He thought that I was serving on some committee that was engaged in some such work. Unfortunately we have no such committee. The only investigating committee with which I have been associated is the committee that has been investigating the Veterans' Bureau. It does not seem to me that an investigation, though helpful, is necessary, because if the law has been violated, prosecutions can be made in the State of Massachusetts; but the situation does require some Federal law upon this subject, and especially some Federal law controlling the amount of money that can be raised and expended in Federal elections.

I want to repeat that in my opinion, in view of the decision in the Newberry case and in view of the fact that the corrupt practices act that is on the statute books was passed before the constitutional amendment providing for the direct election of Senators by popular vote, there is practically no law that would be sustained by the courts affecting the election of United States Senators and possibly Members of the House.

Mr. President, I ask that these letters from his honor, the mayor of Boston, be inserted in the Record and be transmitted to the Committee on Privileges and Elections, and that a resolution presented by myself be read for the information of the Senate and referred to the same committee with the request that the Committee on Privileges and Elections, having had before it the Owen bill since January last and having had a resolution introduced by myself upon this subject in April, make some effort to indicate to the country that the Senate of the United States believes in corrupt practices laws and intends to enact a law which will control the abuses likely to result in election of Federal officers by reason of the raising of large campaign contributions without restriction as to amount or method of expenditure.

There being no objection, the letters were referred to the Committee on Privileges and Elections and ordered to be printed in the Record, as follows:

Hon. DAVID I. WALSH,

United States Senate, Washington, D. C.

MY DEAR SENATOR: The senatorial committee investigating the existence of certain corrupt transactions, activities, and persons, of which you are a member, would do a much-needed public good at this time by turning its attention to and its light on an organized plan for corruption, designed to "solicit" contributions from business firms, corporations, manufacturing concerns, and trade organizations, the

funds so collected to be spent to secure the nomination and election of Federal and State officers—Republicans—from the Presidency of the United States down. This organization is known as the Massachusetts Calvin Coolidge Finance Committee and its announced purpose, as can be seen by the inclosed copy of the original letter of solicitation, is that of "collecting funds to make sure of the nomination and election of Calvin Coolidge." I assume the Massachusetts organization is duplicated in every other State where tariff-protected interests can be reached; and without doubt the mind and man back of this nation-wide corruption campaign is the chairman of the Republican committee, William Butler, of New Bedford, mill owner and millionaire, and one of the notorious industrial group of Massachusetts, fat and growing fatter by the exploitation of child labor and underpaid, overworked mill operatives in certain Southern cotton factories.

The following paragraph has a sinister significance and indicates a cynical determination to evade the provisions of the corrupt practices laws and get around the limitations of expenditures for political purposes incorporated in Federal legislation:

"There is no limit to the amount an individual may give the committee. Large contributions will be so divided as to give full observance to the requirements of the statutes."

An eminent American has said: "Public office should represent the result of the voluntary act of the people and not be the sequence of an auction." The intimate private and political relations of the Republican national chairman and the pseudoprophets of law and order, who dictated Mr. Butler's appointment as his own choice as campaign manager, leaves no doubt in the mind of any honest and self-respecting American that the President of the United States is not only the inspiration of this scandalous plan to corrupt the American constituencies but is fully cognizant of its purposes and aims and is aiding and abetting this audacious attempt to buy the national election of 1924. This document and the bold campaign of corruption it visualizes illustrate the sustained hypocrisy and manifest unfitness of their authors, organizers, and beneficiaries; and the exposure of the plot to make the 1924 election "the sequence of an auction" is a paramount duty that must not be delayed. The sooner the people of the United States learn something of the subterranean activities of the Republican Party, its candidates, and leaders, the better for the safety of the country. If the public offices of the United States can be bought and sold in 1924, the beneficiaries of the foul transaction will transfer the control of national legislation and administration to the industrial, commercial, and financial underwriters of this outrageous bargain.

You, my dear Senator, have a personal as well as a public interest in this treasonable scheme; you are one of the targets of the dirty dollars of the Massachusetts Calvin Coolidge finance committee; but I am certain your sense of public duty will outweigh any personal consideration and guide your action.

Coming as it does on the heels of the betrayal of New England's industrial interests—the preference shown by the Washington administration for convict prison labor over free labor, the transfer of the Army shoe industry from the factories of Massachusetts to the Federal Prison at Fort Leavenworth, the gift of contracts for Naval khaki cloth to British mills in Manchester, England, and the refusal to give contracts to The Amoskeag Mills of Manchester, N. H., where unemployed American workers walk the streets idle and hungry—it becomes evident that this conspiracy of corruption, to which the aid and sympathy of Calvin Coolidge and his friends are pledged, is a well-considered plot to crush and degrade the American worker. The constant stream of phrase and flummery, humbug, and hypocrisy that flows from the White House is intended to conceal the iniquity and baseness of this scheme to Europeanize American labor and cripple American democracy, and its stealthy progress can only be arrested by a swift and thorough senatorial investigation that the American people may know the peril they are in; for it is idle to expect that the engineers of this corrupt scheme will set the machinery of law in motion to embarrass themselves. You can do the work they will not, dare not, do.

The Walworth Manufacturing Co. of Boston, from which the corrupt correspondence emanated, is a highly protected concern, whose head is president of the Boston Chamber of Commerce; the signer of the circular letter, "G. F. Elliott, chairman pipe fittings and allied-material group," is some inconsequential figurehead behind whom the corruptionists work; and I believe an early descent on this group of conspirators will serve the public good. The sale of Massachusetts must not be permitted; its consummation would be a victory for the deadliest enemies of American liberty.

I earnestly ask early and effective investigation of this audacious scheme to destroy the good name of Massachusetts and the integrity of representative government in America.

With the assurance of my personal regard, I am,

Sincerely yours,

JAMES M. CURLEY, Mayor.

GENERAL OFFICE WALWORTH MANUFACTURING CO.,

Boston, Mass., April 24, 1924.

DEAR SIR: The Massachusetts Calvin Coolidge finance committee has delegated to me the chairmanship of the pipe fittings and allied material group in the matter of collecting funds to make sure of the nomination and election of Calvin Coolidge.

The money goes—first, to the national Coolidge preconvention fund for maintaining Calvin Coolidge headquarters and organization work; secondly, to pay a proportion of the national committee expense; thirdly, to maintain the Massachusetts State committee's active work of registration and Americanization throughout all our districts, and to carry on the active campaign for all Federal and State offices as soon as nominations are over.

There is no limit to the amount an individual may give to this committee. Large contributions will be so divided as to give full observance to the requirements of the statutes. All contributions must be voluntary.

I assume that you will wish to have a share in making sure of the election of Calvin Coolidge, and I am inclosing a card furnished me by the finance committee.

Your check should be made to Louis K. Liggett, and if you will send it to me for forwarding to him I can keep correctly my records of our group. In any event, whether your response is a check or a signature of promise on the inclosed card, will you kindly make it promptly, so I may make my full report without much delay.

Yours truly,

G. F. ELLIOTT,

Chairman Pipe Fittings and Allied Material Group.

CITY OF BOSTON, OFFICE OF THE MAYOR,
City Hall, May 15, 1924.

Hon. DAVID I. WALSH,

United States Senate, Washington, D. C.

MY DEAR SENATOR: Your telegram addressed to me this day in answer to communication forwarded you under date of May 13, relative to solicitation of campaign funds for the Republican Party, and in which communication was included a paragraph clearly indicating that it was the purpose of those in charge of the raising of funds to violate the statutes, both Federal and State, has resulted in the receipt by this office of additional requests for funds and would rather strengthen the opinion expressed in the original communication that it is the purpose to conduct an auction rather than an election, unless the Federal and State authorities intervene.

I have taken the liberty of forwarding copies of all communications to your colleague, Senator THOMAS J. WALSH of Montana, in addition to forwarding copies to you, and have likewise directed the attention of the attorney general of Massachusetts to a request for funds which has been circulated in the city of Newton in the name of Thomas W. White, supervisor of administration in the department of administration and finance of this State, a Republican officeholder, and which communication is clearly in violation of the corrupt practices act.

Respectfully yours,

JAMES M. CURLEY, Mayor.

NEWTON, MASS., May 1, 1924.

DEAR SIR OR MADAM: The Massachusetts Calvin Coolidge Finance Committee has been formed, with Mr. Louis K. Liggett as chairman. Committees are now working throughout the State to raise funds, and as members of the committee in the city of Newton we are writing you.

This is presidential year and money contributed will be used to finance the nomination of Mr. Coolidge, the National and State Republican Committees, and to provide for the further expenses of these committees throughout the year 1924.

Massachusetts should and will take the lead in financing the work that is necessary to elect Calvin Coolidge. State pride and our knowledge of the man, his character, his judgment, will give him our united support.

This is not an intensive campaign for funds. You are therefore asked to give liberally and promptly. You have the assurance that when you have made this contribution you will not be called upon again this year for additional funds.

All contributions must be voluntary. No corporation may contribute and no public-office holders are solicited.

Please make your check payable to the order of Louis K. Liggett, chairman, and send it to Leverett Saltonstall, 240 Chestnut Hill Road, Chestnut Hills, Mass.

Trusting for a generous and prompt response, we are,

Very truly yours,

THOMAS W. WHITE.

MAY 12, 1924.

A member of our committee will call on you within the next few days to accept your contribution to the Calvin Coolidge campaign fund.

Five hundred thousand dollars was raised in Massachusetts for the Harding campaign, and there are many reasons why we should raise more for Calvin Coolidge. The remarkable character and statesmanship of our candidate and State pride should make this task easy.

The fund represents the contribution of the Massachusetts business men to the national Coolidge fund for maintaining Calvin Coolidge headquarters and organization work, also our proportion of the national committee expenses, and for maintaining the Massachusetts State committee work of registration and Americanization throughout all our districts, and to carry on the active campaign for all Federal and State officers as soon as nominations are over.

Strong political opposition in Massachusetts is anticipated and an aggressive campaign must be conducted to secure a straight Republican ticket. We must all beware of overconfidence and do our utmost to achieve the desired result.

Your contribution to this fund will be the only one we will ask of you this year.

The satisfaction of giving and giving liberally to maintain a Massachusetts man in the highest office within the gift of the people of these United States, the assurance that a continuation of the present safe and sane administration will constitute the best possible business insurance for business in general and for the shoe and leather industry in Massachusetts in particular, should be sufficient incentive (all other considerations aside) to make your contribution as liberal as possible.

Very truly yours,

E. J. BLISS, *Chairman.*

Mr. WALSH of Massachusetts. Mr. President, I ask that the resolution I submit be read for the information of the Senate.

Mr. SPENCER. Mr. President, may I ask the Senator a question?

Mr. WALSH of Massachusetts. I should like to have the resolution read. Then I shall be glad to answer the Senator's question.

The PRESIDENT pro tempore. The resolution will be read. The resolution (S. Res. 232) was read, as follows:

Whereas existing Federal laws relating to corrupt practices in the appointment or choosing of presidential electors and in the election of United States Senators and Representatives in Congress have been enacted in piecemeal fashion and consist of six separate acts of Congress, passed, respectively, in 1907, 1909, 1911, 1912, and 1918; and

Whereas parts of such laws have been rendered obsolete or inadequate by the adoption of amendments to the Constitution of the United States, and parts have been declared unconstitutional by the United States Supreme Court; and

Whereas such laws fail to require proper publicity in respect of contributions made between election dates, with the result that large unreported contributions have been made after elections, oftentimes in the hope of political reward or favor; and

Whereas there is no law regulating the methods of soliciting campaign contributions, and no record of the activities of persons making campaign solicitations is required; and

Whereas some of the States have no laws relating to corrupt practices in campaigns for nomination and election, and such laws in other States vary greatly as to their provisions: Therefore be it

Resolved, That the Committee on Privileges and Elections is authorized and directed to report to the Senate, as soon as practicable after investigation, upon the advisability of revising the Federal laws relating to corrupt practices in elections, with a view to (1) eliminating the ambiguous, obsolete, and unconstitutional portions thereof, (2) adding thereto provisions to remedy present defects and inadequacies, and (3) requiring the treasurer of each political committee which solicits or accepts contributions or makes expenditures for the purpose of influencing the appointment or choosing of presidential electors, or the election of United States Senators or Representatives in Congress, to file with the Clerk of the House of Representatives between the first and tenth days of each month in the calendar year in which a general election of United States Senators or Representatives in Congress is held, and at least quarterly during every other year, complete as of the day next preceding the date of filing, stating—

- (a) The name, address, and amount of contribution of each contributor to the committee;
- (b) The total amount of contributions from every source;
- (c) The form of letter or petition used in soliciting contributions;
- (d) The names and addresses of persons soliciting, in person or by mail, political contributions; and
- (e) Detailed information as to all expenditures.

The committee is further authorized and directed to report to the Senate, as soon as practicable after investigation, (1) upon the advisability and probable cost of preparing for publication as a Senate document a compilation of the laws of the several States relating to corrupt practices in respect of the appointment or choosing

of presidential electors and the election of United States Senators and Representatives in Congress, including primary elections and nominating conventions, and (2) upon the advisability of preparing a uniform State law in respect thereof, with a view to submitting such law to the several States for adoption.

Mr. WALSH of Massachusetts. I yield now to the Senator from Missouri.

Mr. SPENCER. I fully agree with the Senator from Massachusetts, both as to the desirability and as to the importance of some such consideration. But did not the Senator from Massachusetts refer to some bill that had been introduced by the Senator from Oklahoma?

Mr. WALSH of Massachusetts. Yes; the Senator from Oklahoma [Mr. OWEN] introduced a bill in January, which has been pending before the Senator's committee since that time. Otherwise I would have introduced a bill instead of offering a resolution. I thought that bill was very carefully drawn, and it seemed to me to meet all the requirements of a corrupt practices law.

Mr. SPENCER. That is the very point I was about to ask the Senator about. I read that bill with a great deal of interest, but neither the Senator from Oklahoma nor anybody else has ever even intimated to the committee that he wanted that bill considered. My impression is that that bill, immediately after its introduction, was referred to a subcommittee, who have had it ever since, doubtless waiting for the author of the bill to come before it, and it would be exceedingly helpful if the Senator from Massachusetts had the time for him to prepare such a bill, or, if he thinks the Owen bill answers the requirements, to let us know about that.

Mr. WALSH of Massachusetts. I do not think that on a matter of such importance as regulating the manner of conducting elections the Committee on Privileges and Elections ought to wait for the initial step to be taken by the Senator who introduced the bill. It seems to me that subject is of such importance that remedial legislation should be framed by the committee itself, especially in view of what the Senator's committee learned by reason of its investigation of the Newberry case, and by reason of the comments in the press of this country in regard to abuses in connection with the campaign contributions which appeared recently in testimony before one of the investigating committees, that campaign contributions after elections, of which no report was made, were made in large amounts by persons who later became beneficiaries of favors that the present administration was able to give them.

Mr. SPENCER. The initial difficulty in the way, I am free to say to the Senator from Massachusetts, is this, that the Committee on Privileges and Elections is now hearing the senatorial contest from Texas, which is taking all their time, and whether they will have any opportunity to frame a bill in the remaining days of this session, if the session shall conclude next month, I am free to say is somewhat doubtful.

Mr. WALSH of Massachusetts. Does not the Senator think that it is a very bad spectacle for the Senate to go before the country in the national election that is approaching without any satisfactory law affecting the election of United States Senators or other Federal officials?

Mr. SPENCER. I quite agree with the Senator that the matter ought to have consideration, and that there should be some law, and that is the reason I hope perhaps his mind is so clear upon the subject that he might put his thought in the form of proposed legislation.

Mr. WALSH of Massachusetts. I shall be very glad to do that; but, in my opinion, the Owen bill with some amendments is a very good bill.

Mr. ROBINSON. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Arkansas?

Mr. WALSH of Massachusetts. I yield to the Senator.

Mr. ROBINSON. I wanted to inquire whether the bill of the Senator from Oklahoma provided for periodical reports?

Mr. WALSH of Massachusetts. As I recall, it does not; but in the resolution which I introduced in April I suggested that the committee report a bill which would require periodical reports.

Mr. ROBINSON. The problem of preparing an effective corrupt practices act grows out of the ease with which such statutes are evaded. Usually they require a report prior to and immediately subsequent to an election, and by waiting until after the expiration of the time fixed in the statute to make the contribution a violation is avoided, and publicity is also avoided.

Mr. SPENCER. What does the Senator mean by "periodical reports"?

Mr. WALSH of Massachusetts. Between elections.

Mr. ROBINSON. I mean reports between elections.

Mr. SPENCER. By campaign committees?

Mr. ROBINSON. I mean that a committee considering such a resolution as that the Senator from Massachusetts has just offered might report a bill requiring the campaign committees to make periodical reports. I suppose the Senator knows what I mean by periodical reports?

Mr. SPENCER. I understand what that expression means; but I did not know who was to make the report.

Mr. ROBINSON. Weekly, or monthly, or every quarter. Of course, there still remains the probability of evasion. The same is true of limitations on amounts that may be contributed. We may provide in the statute that no one shall contribute more than \$100 to a campaign fund, and that is evaded by some wealthy contributor simply handing out \$100 to 100 different persons, and of having the contribution actually made by some one else. I do not know how that could be reached; but I am wondering why the Senate can not take up the bill referred to by the Senator from Massachusetts and consider it, either now or at an early date.

Mr. WALSH of Massachusetts. Since the Senator from Missouri addressed me a moment ago, my attention has been called to the fact that the Mayfield case is being heard by a subcommittee of the Committee on Privileges and Elections. Why could not a subcommittee be appointed to consider this resolution?

Mr. SPENCER. There has been a subcommittee in existence, as I remember it, since the bill of the Senator from Oklahoma was introduced considering it.

Mr. WALSH of Massachusetts. Who is on the subcommittee?

Mr. SPENCER. I think the senior Senator from New York [Mr. WADSWORTH] is the chairman of that subcommittee; but I do not want to trust entirely to my memory in the matter. It was brought up before the full committee at once on being introduced, and my recollection is that one of the questions that was raised at the time was that the bill of the Senator from Oklahoma covered contributions in regard to primary elections; and of course the Senator will realize the difficulty that might arise out of that, in view of the decision of the Supreme Court in regard to our power to legislate in regard to primary elections.

Mr. WALSH of Massachusetts. I think it will be a matter of serious criticism, and properly so, in the campaign if Congress adjourns finally without any attempt made to pass some Federal law regulating campaign contributions.

Mr. ROBINSON. Perhaps it would be just as well to deal with the regulation of the general elections, and not attempt to control expenditures in the primaries at present.

Mr. SPENCER. That is one of the reasons why the committee referred the matter to a subcommittee.

Mr. ROBINSON. In view of the decision of the Supreme Court and difficulties that grow out of it.

Mr. WALSH of Massachusetts. I ask that an editorial in the Baltimore Sun on this subject be printed in connection with my remarks.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Baltimore Sun of May 15, 1924]

WHAT ABOUT IT, MR. PRESIDENT?

President Coolidge is fast becoming a man of poignant political sorrows. On the same day that the New England Republican Senators, save GREENE, of Vermont, who is ill, deserted him in a body in the fight over his veto of the Bursum pension grab, he was sorely wounded in Boston—in Boston itself, of all places in the world. For it was publicly revealed there that the devotees and beneficiaries of high protection are gathering a "bar" for Mr. Coolidge's campaign with a disregard of political morality so absolute and unabashed as to have won them high place in Republican affairs in the time when Alarich, Hanna, and Quay were supreme.

There is a law in Massachusetts which limits the sums that may be contributed by one donor to campaign funds. George F. Elliott, one of the heads of a manufacturing concern and an official of the Massachusetts Coolidge finance committee, who is directly charged with raising funds from pipe fitters and allied material groups, thinks that law is nothing as between men who wish four years more of Coolidge and the Fordney-McCumber tariff law. So Mr. Elliott writes to prospective donors and explains that there is no limit to the amounts that may be given, the law to the contrary notwithstanding. Says he:

"Large contributions will be so divided as to give full observance to the requirements of the statutes."

That for the law when it gets in the way of campaign funds for Coolidge and the tariff wall. Now, as to political morality, Louis K. Liggett is chairman of the finance committee, a subdivision of which Mr. Elliott represented when he wrote that message. When the message becomes known it is necessary for Mr. Liggett, as the superior of Mr. Elliott in the committee's work, to approve or disapprove the action of his enthusiastic subordinate. He hesitates not a moment. With the statement public before all eyes that Mr. Elliott had proposed evasion of the law, Mr. Liggett gives his complete indorsement. More, he boldly maintains the evasion of the law is within the law. He says: "I take full responsibility for Mr. Elliott's letter. Before that letter was mailed I showed it to a lawyer, who said it was within the law."

It is superfluous to argue the merits of the question that is projected by Mr. Elliott and Mr. Liggett. The facts speak for themselves. These men not only seek brazenly to evade the law, but they convey a suggestion of deliberate connivance to prospective donors that raises the whole panorama of bargaining between big politics and big business, in which governmental favors are one article of exchange and campaign contributions are another. That kind of bargaining is an old and familiar story, and as infamous as it is old and familiar. We have had glimpses of it for years. One of the latest glimpses was given in the old investigation when the political contributions of Sinclair and Doheny were uncovered.

But while it is superfluous to argue the merits of the question projected so shamelessly by these two back-home champions of the President, it is not superfluous to ask what the President is going to do about it. If Mr. Liggett indorses wholeheartedly Mr. Elliott, does the President indorse wholeheartedly Mr. Liggett? This is not some campaign occurrence far away from the President's notice. It is an indecency that has been exposed in his own most intimate political household. The purse bearer for the President in the President's own home has said publicly that he will evade the law, and that he will evade it after consultation with a lawyer who has told him that the evasion will be within the law. This purse bearer of the President in the President's own home has put himself on the moral level of the smarter denizens of the underworld who use a certain class of lawyers preventively, rather than curatively. Will the President give that approval even the tacit approval of silence, or will he condemn it unsparingly?

Early in April Senator BORAH raised the question of how to control campaign contributions. On April 11 the President saw the Washington correspondents in one of his regular interviews with them, and the same day a dispatch was sent to the Sun in which this appeared: "The White House has let it be known that the Executive agrees with Senator BORAH and others that great sums of money should not be accepted by party committees from selfish interests, and that neither great nor small sums should be accepted from men who expect a financial return from their investment."

In the case that has come to light in Massachusetts a concrete drive is being made in a specific industrial group for contributions larger than the law permits. Will the President be as moral in this concrete case as he was in his abstract meditations before the Washington reporters?

Mr. SPENCER. Mr. President, may I say, in addition, that we do not have any provision of law regulating an election contest in regard to a Senator of the United States. The law upon the statute books was enacted when Senators were elected by the legislatures, and therefore applied only to the members of the House. Now that Senators are elected by popular vote, the necessity of some provision of law regulating generally election contests is, of course, most important. The Committee on Privileges and Elections have practically agreed on such a law, and it will come before the Senate, I hope, in the next few days. It would obviate thousands of dollars of expense in the present Texas senatorial contest, because, there being no law covering the case, we have to do with the counting of the ballots, and have already expended over \$35,000 in that contest alone, all of which is cured for in the law regulating contested elections of Members of the House, because when there are ballots to be counted, they are counted at the seat where the ballots are cast, by the contestant and contestee, under provisions of law. We having no such law, we bring the ballots here and count them ourselves.

Mr. ROBINSON. From press reports I have read lately I suppose the committee also labors under the embarrassment of having no rules of evidence applicable in the consideration and determination of such cases.

Mr. SPENCER. That is quite true.

Mr. ROBINSON. I suppose in all such cases, and probably in the case to which the Senator has referred, the committee has found many offers of evidence that proved to be wholly irrelevant and immaterial.

Mr. SPENCER. We may expect that. I do not think we have as yet had such, but we expect it.

Mr. ROBINSON. May I ask the Senator from Missouri whether he or his committee have given consideration to the adoption of a resolution or some other measure which will fix as applicable to such cases the rules of evidence applied in civil cases in United States courts?

Mr. SPENCER. Not directly, but indirectly. Much of the testimony which we are now considering would, under the bill providing for contested elections, if it became a law, never come before the Senate. All this testimony would be taken as it is in the case of the House of Representatives; merely the result of it would come to the Senate for their consideration. To that extent the character of the evidence and the amount of it would be cared for, but the committee has not considered any rules of evidence in connection with election contests.

Mr. LODGE. Mr. President, I do not propose to enter on a general discussion of election laws at this late hour. I only rise because the letter which my colleague has asked to have inserted in the Record refers to my own State, and to the capital city of the State, and is written by the mayor of the city.

The election laws of Massachusetts, I am sure my colleague will bear me out in saying, are very elaborate and very thorough, so elaborate and so thorough that I think some people fail to understand them occasionally; but they are very elaborate, and they put on the restrictions to which my colleague referred.

I should like to see the election laws of the United States, of which I think there is more than one, formulated and put in proper form, and also very much improved, as they can be; and I think that ought to be done now, when an election is coming on. The stronger we make them the better I shall like them. We can not make them too strong.

This is a letter from the mayor of Boston. It consists chiefly of a very violent and personal attack upon the coming chairman of the Republican National Committee, Mr. Butler, and on the President of the United States, who are not involved in this at all in any way. The text is taken from a circular sent out by a man named Elliott, whom I do not know, but who I think is an officer of the Walworth Manufacturing Co., a large manufacturing company.

It is in response to a personal call that was issued by two gentlemen well known to me, Mr. White and Mr. Liggett, to raise a fund for the coming presidential campaign. There is nothing secret about it. It is the kind of fund that is always raised, and it is perfectly legitimate to raise it. It all turns on the statement in a circular letter that Mr. Elliott sent out acting for the branch covering this one trade. He says:

There is no limit to the amount an individual may give the committee. Large contributions will be so divided as to give full observance to the requirements of the statute.

I have not had an opportunity to examine thoroughly or, indeed, really at all, the statutes of the State, but I am very sure that the limitation of \$1,000 applies to all gifts to any political committee.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. ROBINSON. That would seem to relate to the matter that I discussed a moment ago in connection with the statement of the junior Senator from Massachusetts as to the practice of evading limitations on the amount of contributions that may be made by an individual or corporation by dividing them up and having the contributions actually come in the name of several individuals or corporations.

Mr. LODGE. There are all sorts of ways of evading those provisions of the law.

Mr. ROBINSON. It seems to me that a fair construction of the language the Senator has read indicates a purpose on the part of the writer to invite evasions of the Massachusetts statute. That is the point I wanted to bring to the attention of the Senator from Massachusetts. The natural import of the language which the writer employs is that the statute limiting contributions is easily evaded by splitting up large contributions and submitting them in the names of several persons.

Mr. LODGE. I do not know what method he proposes, but there are methods of giving a great deal more than a thousand dollars.

Mr. SWANSON. Will the Senator read that statement again? It seems to me he said he would do it.

Mr. LODGE. He said that "large contributions will be so divided as to give full observance to the requirements of the statute."

Mr. SWANSON. As I understand from that language, it means that if a large contribution comes in the law will be evaded because he himself will divide it up.

Mr. LODGE. That is the possible inference, but I do not think he is so stupid as that. That inference may be drawn, but I do not believe that is intended. That would require an almost superhuman stupidity.

Mr. ROBINSON. What is the construction that the Senator himself places on it?

Mr. LODGE. It never occurred to me that he was going to divide it himself.

Mr. ROBINSON. That is what he said.

Mr. LODGE. No; he said that "large contributions will be so divided."

Mr. ROBINSON. What does it mean if it does not mean that?

Mr. LODGE. I should think it means they would be divided by his committee.

Mr. ROBINSON. What does it mean if it does not mean that in order to evade a provision of the statute which limits the contribution, if one makes a contribution in excess of the limitation it will be divided up so there will be no apparent violation of the statute? I say that is a willful evasion of the statute if it means what the language seems to imply.

Mr. LODGE. I think it does not mean to imply it.

Mr. SWANSON. He gives assurance that it will be divided.

Mr. LODGE. That may be the inference. There are many other ways in which it can be done.

Mr. SWANSON. But he says it will be divided.

Mr. LODGE. But it does not follow that he will divide it with his own hand.

Mr. SWANSON. In other words, he will let his committee do what he will not do himself.

Mr. LODGE. Not necessarily. The money may come in to him in small contributions. The Senator is more familiar with those matters than I am.

Mr. SWANSON. Oh, no. This is in Massachusetts.

Mr. LODGE. The Senator's general information surpasses mine on that question.

Mr. SWANSON. I want to get the Massachusetts method. It seems to me to be a very expert method.

Mr. LODGE. However, I did not start in to discuss the law. I admit that there ought to be, as my colleague suggested, a complete revision of the Federal law. I did want to make a protest against the language used in regard to men in high position and of unblemished character against whom there is not one scintilla of evidence to show that they have anything to do with it. This is a perfectly independent committee. My colleague knows both of the men, Mr. White and Mr. Liggett, who signed the circular.

Mr. WALSH of Massachusetts. I know they are very good Republicans.

Mr. LODGE. Oh, yes; they are Republicans undoubtedly. There is no question about that.

Mr. WALSH of Massachusetts. And incidentally good citizens.

Mr. LODGE. I do not know Mr. Elliott, who signed the circular, and who is evidently connected with the Walworth Co., but there is not a scintilla of evidence against either of the other men.

Mr. WALSH of Montana. I have another letter from Mayor Curley to which was attached what purported to be copies of similar appeals being sent out by other industrial groups.

Mr. LODGE. I think those letters were sent out by Mr. Liggett and his committee, which is the committee that is doing all the work, to all the trades and industries in Boston. I take it from his letter that that is what has been done.

Mr. WALSH of Montana. I had an idea that the letters, copies of which I received, were letters which were sent out by the various trades to the corporations and companies pursuing that trade.

Mr. WALSH of Massachusetts. I think that is true, but my colleague has not seen those letters. There are subsequent letters which the mayor sent to the Senator from Montana and myself.

Mr. LODGE. I got the impression from the Liggett letter that they have this voluntary committee. These men hold no party position, but they constitute a voluntary committee to raise money for the presidential campaign. The money is being raised by a very common method of obtaining subscriptions of any kind, by one man taking a specific trade and going through that trade and collecting money from the members of that trade.

Mr. WALSH of Montana. That is the impression I got, and that from some central authority form letters were being sent to the various trades to send to their members.

Mr. WALSH of Massachusetts. The Senator has stated the facts as I understand them.

Mr. LODGE. This is being sent out as a circular letter in the name of the Calvin Coolidge Finance Committee, which has been formed with Mr. Louis K. Liggett as chairman. Mr. Liggett's name is well known. He is the head of the great organization bearing his name. He is a very able and energetic man, of high standing in a business way. Mr. White, whom I have known for many years, holds an important office at the state-house.

Mr. WALSH of Massachusetts. He was chairman of the commission on economy and efficiency.

Mr. COPELAND. Mr. President, will the Senator yield for a question?

Mr. LODGE. Certainly.

Mr. COPELAND. What is the purpose of raising this enormous sum of money?

Mr. LODGE. I am sorry the Senator from New York is so innocent as that. They are very apt to raise funds in a campaign. I have known them to be raised even in New York for the ordinary and legitimate expenses of a campaign. The expenses are stated in one of the letters as follows:

The money goes first to the national Coolidge pre-convention fund for maintaining Calvin Coolidge headquarters and organization work; secondly, to pay a proportion of national committee expenses; thirdly, to maintain the Massachusetts State committee's active work of registration and Americanization through all our districts and to carry on an active campaign for all Federal and State officers as soon as the nominations are over.

All, I believe, legitimate election expenses.

Those are the usual purposes. What I wish to say and all I desire to say is that the language of the mayor in regard to Mr. Butler, and still more in regard to the President, is violent and abusive and wholly unjustifiable. They have no connection, either of them, with this committee that I am aware of, and none appears.

Mr. WALSH of Massachusetts. I think my colleague will agree that the mayor usually speaks forcibly and without fear.

Mr. LODGE. He does. Of course, he is a man who, as my colleague knows, has been twice mayor of Boston and would be extremely sensitive about the expenditure of money for political purposes. But there was no need of giving rein to his feelings in that violent manner.

Mr. WALSH of Massachusetts. He has an added interest in having the corrupt practices act obeyed, as he is likely to be the candidate of his party for governor. Therefore he would naturally want to limit the amount of money his opponent could raise illegally and improperly to help defeat him and the other candidates of his party.

Mr. LODGE. Certainly. He is a candidate for governor; that is true. I do not know whether this letter has been printed in the Record. I hope it has not.

I wish to say about Mr. Butler that I have known him for a great many years. As a young man he was in the State legislature, and more than 30 years ago was president of the State senate. Then he went out of politics entirely. He has not been in active politics at all since. He has taken no more interest than any man ought to take who tries to do his duty to his party and to his State and country. He was an able lawyer and held a high position at the bar. He then was drawn into manufacturing owing to the growth of the cotton industry in the city of New Bedford, where there has been a very great growth of textile industries. He was a very warm, personal friend of former Senator Crane, and he has been a personal friend of Governor Coolidge. He is a man of high character and perfectly incapable of doing anything dishonest or that would break the law. He certainly never would think of having anything done that could by any possibility be distorted into a breach of the law. He is a man of property and a business man entirely. On the withdrawal of former Senators Weeks from the national committee he was elected in his place, and has been a member of the national committee for less than a year, which is the only political office I have known of his holding for 30 years. He is a man who deserves and has the respect of everyone who knows him, both at the bar and in business.

As to what is said about the President—

Mr. SWANSON. Will the Senator permit me, before he leaves Mr. Butler, to make an observation? He has given some very interesting information, but with reference to the vital question he has given no information as yet. Has he disapproved of the circular letter and stated that he would not receive any contributions in excess of \$1,000? That seems to be the vital point.

Mr. LODGE. I do not think that it is the vital point at all. He has nothing to do with receiving money.

Mr. SWANSON. He is chairman of the committee.

Mr. LODGE. He is not chairman of the committee.

Mr. SWANSON. He will be chairman of the national committee.

Mr. LODGE. He will not raise any money improperly, and the Senator can rest assured of that.

Mr. SWANSON. Has he expressly disapproved of the letter?

Mr. LODGE. Of course he has nothing to do with it whatever. He has no more to do with it than I have.

Mr. SWANSON. The Senator expresses disapproval of it, does he not?

Mr. LODGE. Certainly, if it is a breach of the law of Massachusetts, as I am afraid it is.

Mr. WALSH of Montana. I should like to inquire of the Senator, if he has any information as to who the party is that is responsible for that letter?

Mr. LODGE. I do not know him personally. The letter is from the Walworth Manufacturing Co., which is a very large and long-established company, and is signed by Mr. Elliott as chairman of the "Pipe Fittings and Allied Material Group."

Mr. WALSH of Montana. They solicit those engaged in that business, but I call the attention of the Senator to the fact that it seems likely these form letters were sent out to the different trades and lines of business from some central authority. What I want to know from the Senator, if he can tell us, is who the central authority is with which the idea originated?

Mr. LODGE. This is a voluntary committee; it is not a part of the State committee of Massachusetts at all, and has nothing to do with it.

Mr. WALSH of Montana. Are we to understand that Mr. Liggett is the head of the committee from which the communication emanates?

Mr. LODGE. It is a voluntary committee; but it is a political committee, and under our law it is obliged to make returns.

Mr. ROBINSON. It must have some head. It would not just form itself without suggestion from somebody. What the Senator from Montana [Mr. WALSH] is trying to find out is who is responsible.

Mr. LODGE. I am afraid the Senator has not followed my remarks. I stated all that. The Massachusetts Calvin Coolidge Finance Committee has been formed with Mr. Louis K. Liggett as chairman. A moment ago I stated who he was, and I mentioned that the letter was signed by Mr. Thomas W. White, secretary of the committee, I believe, who is a well-known man in my State. He lives at Newton, which is the date mark on this communication.

Mr. WALSH of Montana. It would seem, then, that responsibility for it must be laid at the door of Mr. Liggett.

Mr. LODGE. The man who made the request about the funds, as I said, is Mr. G. F. Elliott, of the Walworth Co., who acts for the particular group of manufacturers from whom they are trying to raise money. As I said, I will not read what is said about the President; it is mere unworthy abuse without a shred of proof. I do not suppose the President knows that the committee exists. But the President needs no defense either here or in Massachusetts or in the country. His character and high public services are a complete answer to such wanton abuse. This, as I have said, is a voluntary committee and not one of the regular committees.

Mr. ROBINSON. Mr. President, can the Senator from Massachusetts give us any information as to the success of these efforts and the result?

Mr. LODGE. No; I have not the faintest idea as to that. I do not have anything to do with money, so far as politics is concerned, on either side. I occasionally hear about Democratic expenditures, but I hear very little of those of my own party.

Mr. WALSH of Massachusetts. I ask unanimous consent that the resolution be received and that it be referred to the Committee on Privileges and Elections.

The PRESIDENT pro tempore. The Senator from Massachusetts asks unanimous consent to submit the resolution which has been read. Is there objection? The Chair hears none, and the resolution will be received and referred to the Committee on Privileges and Elections.

Mr. WALSH of Massachusetts. Mr. President, I merely wish to add this thought. The real abuse in the raising of funds and the expenditure of money in campaigns is that there is no limit at all upon the amount that may be collected and expended by political committees. Individual candidates may be limited in some States, but not political committees. Some laws define for

what purposes money may be employed to promote a campaign—advertising, distributing circulars, printing, postage, and conveying voters back and forth from the polls; but almost unlimited amounts can be spent in advertising and in distributing circulars and in carrying voters to the polls. The only way to cure the evil of possible advantage to parties and candidates making large expenditures of money in our elections, in my opinion, is to limit the amount that may be so expended by political committees as well as by candidates.

Mr. ROBINSON. Mr. President, if the enterprise illustrated by this letter is State-wide, the indications are that very large sums of money will be raised as the result of this movement.

The senior Senator from Massachusetts [Mr. LODGE] made a very modest and, I will say, mild defense of that procedure, but he can not escape the natural effect of the language employed in those campaign letters soliciting contributions. It indicates a deliberate, organized purpose to evade the statutes of Massachusetts. The senior Senator from Massachusetts finally expressed the opinion somewhat hesitatingly, mildly, and in no sense censoriously, that the letter constitutes the indication of a purpose to violate the election laws of Massachusetts.

It is a very singular thing that an organization should be effected for the purpose of reaching out to the great business interests of the State of Massachusetts and of soliciting contributions from them at a time when there can be no legitimate occasion for the expenditure of large sums.

Mr. WALSH of Massachusetts, Mr. LODGE, and Mr. COPELAND addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Arkansas yield; and if so, to whom?

Mr. ROBINSON. I yield first to the junior Senator from Massachusetts.

Mr. WALSH of Massachusetts. I think a significant thing about the information conveyed by the mayor is that the industries are being grouped and a distinct campaign for funds from each particular industry is being made, showing that an enormous sum of money possibly may be raised.

Mr. ROBINSON. It is a systematic effort to reach all of the business interests of the State and to have them contribute. Now I yield to the senior Senator from Massachusetts.

Mr. LODGE. The Senator said I spoke mildly. I did not think it was worth while to storm about it. I have been sitting here and hearing these outbreaks of virtue about matters of this kind, but there is not a Member of the Senate who does not know that money is raised for campaigns in every State in the United States.

Mr. ROBINSON. Yes.

Mr. LODGE. If the Senator will allow me a moment more, I do not say it is raised improperly; I make no charge of that kind, but to sit here and to talk as if we did not know that money for legitimate purposes was raised in every State is ridiculous, and I am not going to storm about something as to the existence of which we are all aware.

Mr. ROBINSON. Mr. President, the righteous indignation of my good friend, the Senator from Massachusetts, is not justified. We all know that campaign contributions are solicited by political committees, and we all know that campaign contributions are made, but here in the home State of the Senator from Massachusetts persons affiliated with the political organization of which he is the head in the Senate of the United States adopt a procedure which enables them to solicit from all the organized industries of the State of Massachusetts campaign contributions, with the declaration that if they see fit to make large contributions the statute forbidding them will be evaded by the very simple process of dividing them up so as to make them appear to be in conformity to law when, in fact, they are in violation of the law.

Mr. LODGE. Mr. President—

Mr. ROBINSON. I yield to the Senator from Massachusetts.

Mr. LODGE. I was not defending violations of law; I am as much opposed to such violations as is the Senator.

Mr. ROBINSON. The significance of this—

Mr. LODGE. If the Senator will allow me, I should like to say—

Mr. ROBINSON. Just a moment. The significance of this subject and of this discussion is that in the Senator's State persons affiliated with the political organizations to which he belongs are conducting a comprehensive campaign for the express purpose of procuring contributions in violation of the law of the State that binds the Senator from Massachusetts and that binds those who are seeking the contributions, and they are raising money that will be expended not only in

Massachusetts but in influencing and controlling the elections in other States.

Mr. LODGE. Undoubtedly, Mr. President, and if there is any illegality there it ought to be punished; but as to money being spent in other States, I think I am putting it moderately when I say that nine-tenths of the money expended on behalf of the party of the Senator from Arkansas, as well as for mine, is raised in the city of New York.

Mr. ROBINSON. Mr. President, I seem to be unable to bring to the comprehension of the senior Senator from Massachusetts the relevancy of this matter. Here is an organization which calls itself the Calvin Coolidge Finance Committee sending letters to business men in Massachusetts asking them to contribute liberally to campaign purposes and telling them, in effect, that if they make large contributions they need not fear prosecution for violation of the law, because the committee will arbitrarily divide the contributions so that no violation will appear.

Mr. President, it is not relevant for the Senator to answer, as he has attempted to do, that contributions made in New York are expended in various States of the United States.

Mr. LODGE. No; but if the Senator will allow me—

Mr. ROBINSON. The point of this discussion is that the Republicans in Massachusetts are deliberately violating, at this early stage in the campaign, the election laws of Massachusetts, and the Senator from Massachusetts does not seem to feel any very great indignation about it.

Mr. LODGE. I understand that perfectly. If the Senator will allow me—

Mr. ROBINSON. He has not even made up his mind yet whether the language employed by the political committee constitutes an expression of purpose to violate the law.

Mr. LODGE. The only reason I referred to other States was because the Senator berated me because this money was to go into other States.

Mr. ROBINSON. The Senator is mistaken; I have not berated him; I could not do so.

Mr. LODGE. That is not illegal; it is not illegal to raise the money by groups, but it is illegal, under the laws of Massachusetts, to raise money in subscriptions of more than a thousand dollars each, as it proposes in the communication, if it is correctly copied.

Mr. SWANSON. Mr. President, will the Senator permit me to read something that has not been read?

Mr. ROBINSON. With pleasure.

Mr. SWANSON. First, I read the following statement:

There is no limit to the amount any individual may give to this committee.

Mr. LODGE. I have already read that.

Mr. SWANSON. That is in violation of the law.

Then, there is another statement which I will read.

A member of our committee will call to see you within the next few days to accept your contribution to the Calvin Coolidge campaign fund. Five hundred thousand dollars was raised in Massachusetts for the Harding campaign, and there are many reasons why we should raise more for Calvin Coolidge.

Mr. ROBINSON. Mr. President, that has an added significance when it is remembered that there was not an iota of opposition to Mr. Coolidge in Massachusetts. There could not have been any justification for raising locally a fund in Massachusetts to secure the indorsement of the President. The object of it manifestly was to secure an enormous fund for the purpose of influencing the election.

Mr. HEFLIN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Alabama?

Mr. ROBINSON. I have concluded all I wish to say.

Mr. HEFLIN. Mr. President, right in line with what the Senator from Virginia read, I wish to state that the Republican Party is seeking to do in this instance just what it did in 1920. The Republican Party relies on money, money, money, all the time. In a bulletin issued by that party in 1920, it is stated:

Harding and Coolidge have the confidence of the people, but, boys, get the money.

That is from an official bulletin issued by the treasurer's office of the Republican National Committee.

Mr. President, this matter ought to be gone into very thoroughly, because an effort is going to be made to buy the approaching election. There is not any doubt of that. The men who made millions of dollars out of the Government in time of war are going to contribute largely to the Republican cam-

paign fund. The profiteers, those to whom Mr. Mellon has refunded \$300,000,000, are going to give to the Republican campaign fund, and those who have opposed so bitterly adjusted compensation for the ex-service men are going to contribute largely to the Republican campaign fund, and they are going out now and starting thus early to raise an enormous fund to help control the election and to purchase the electorate where it may be done. There is not any doubt about that. The Senate ought to do something, as well as the House, to prevent the corrupt use of money in a campaign. The very life of the Nation is at stake, and it is high time that the people were waking up to what is going on.

We have seen enough here to convince us that the Republican Party do not intend to appeal to the sober judgment of the American people, but they intend to use money—enormous sums of money—to control the election in 1924, and we owe it to the people we represent here and to the people who shall come after us to see that the money bags of America do not control the election of 1924, flaunting at the head of their list, "The Calvin Coolidge Campaign Finance Committee," and telling the people that "You can contribute, through us, all that you want to contribute. There is no limit to it. This is the way to evade the law. We want the money." It is in keeping with the conduct of that party in 1920, when Governor Cox charged, and charged truthfully, that they raised the biggest campaign fund ever raised in the history of the Government.

I want to say this before I sit down: The Senator from Massachusetts is mistaken so far as the Democratic Party is concerned when he says that nine-tenths of its campaign funds are raised in New York. That is true of the Republican Party, it may be, but not true of the Democratic Party. Over half the funds raised by the Democratic Party come from subscriptions throughout the country, from \$1 to \$2.50 and \$5 and \$10, some \$25 and some \$50, rarely over \$100. That is the way the Democratic Party gets its money—from the rank and file of the party who believe in that party. It does not take much money for the Democrats, because we have so much right and principle and justice on our side that we do not have to have so much money.

I want this election determined as free as possible from the use of money. We must do something to protect the interests of the United States.

CONDITION OF RAILROAD EQUIPMENT

The PRESIDENT pro tempore laid before the Senate a communication from the chairman of the Interstate Commerce Commission, which was read and, with the accompanying report, referred to the Committee on Interstate Commerce:

INTERSTATE COMMERCE COMMISSION,
Washington, May 17, 1924.

TO THE PRESIDENT OF THE SENATE OF THE UNITED STATES.

SIR: In compliance with the provisions of Senate Resolution 438, dated February 26, 1923, the Interstate Commerce Commission has the honor to transmit herewith a report for the month of April, 1924, showing the condition of railroad equipment and the related information indicated in the resolution in so far as such information is available.

Respectfully submitted,

H. C. HALL, *Chairman.*

INSTALLATION OF RADIO DEVICES IN SENATE CHAMBER

The PRESIDENT pro tempore laid before the Senate the following communication from the Secretary of War, which was read and ordered to lie on the table:

WAR DEPARTMENT,
Washington, May 17, 1924.

THE PRESIDENT PRO TEMPORE,
United States Senate.

SIR: The receipt is acknowledged of the communication dated May 3, 1924, of the Secretary of the United States Senate transmitting Senate Resolution 197, Sixty-eighth Congress, first session, passed April 24 (calendar day, May 2), 1924, requesting the Secretary of War and the Secretary of the Navy to cooperate in the appointment of a joint commission of radio experts to investigate and report to the Senate upon the problems relative to the installation and maintenance of certain electrical transmission and receiving apparatus and radio equipment for broadcasting the proceedings of the Senate throughout the country.

In reply I am pleased to advise you that I have designated Maj. Joseph O. Mauborgne, Signal Corps, on the part of the War Department. Major Mauborgne will cooperate with the representative of the Navy Department in investigating and reporting to you the estimated cost of installation, maintenance, and operation of the proposed systems suggested in paragraphs 1 and 2 of the Senate resolution referred to.

Sincerely yours,

JOHN W. WEEKS,
Secretary of War.

RECESS

Mr. EDGE. Mr. President, the Senate has made such wonderful progress to-day in disposing of the unfinished business that I think it is hardly necessary to ask the Senate to remain in session this evening; but I do want to give notice, seriously, that I shall ask the Senate to remain in session Friday evening if it is impossible to dispose of the bill during the day sessions to-morrow and Friday.

I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 6 o'clock and 35 minutes p. m.) the Senate took a recess until to-morrow, Thursday, May 22, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, May 21, 1924

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

How great and marvelous are Thy works, O Lord, and how bountiful is Thy mercy. Give us this day the token of Thy presence. So conscious are we of our limitations that we wonder how Thou canst love us so and care for us so tenderly. Surely Thou hast planned for us a great destiny and in the ages to come we shall know and understand Thy amazing redemption. In the meantime enable us to go forward from strength to strength with an abiding faith in God as our Father and in Jesus Christ as our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

TAXATION

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on a resolution introduced by me some days ago.

Mr. LONGWORTH. Reserving the right to object, is it the gentleman's own remarks?

Mr. ROMJUE. It is.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ROMJUE. Mr. Speaker and gentlemen of the House of Representatives, the question of taxation is always an important one, and in fact it is usually one of the most important public questions our people are required to deal with. I hope the time may come when it may be the habit of mankind to consider all public questions thoughtfully, and free from prejudice and passion, and that the human mind may take its course and reach its final decision on any public matter, unfettered by any false premise and guided only with a purpose to be right and just, as the light and information is given to us on any matter of public concern. Therefore it is, in my judgment, necessary in the solution or proper adjustment of any question of public welfare to get at the tap root of the question if we are to intelligently understand it.

If no wrong exists, no remedy is needed. If any wrong or injustice or inequality exists, it should be balanced and a remedy sought out and applied, and even when sought out and applied we must still know that perfection or exact equality is not one of the ministrations of humanity, but surely it should be the common purpose to approach as closely as possible to a state and condition of exact justice and equality for all, within the promised protection of our Government, whether National, State, or local.

Sometimes confusion exists as to taxes and taxation, because many are apt to think of the subject as a whole and do not stop and take time to separate and classify the different kinds of taxes and the sources from which they come and the purposes to which they are devoted. These are all vital matters, and in order to have a more interesting and intelligent view of the theory and practice pertaining to taxes and taxation we should at least direct our attention to the fact that there are different kinds of taxes.

First, there are national taxes.

Second, there are State taxes.

Third, there are the more local taxes, such as—

(a) County and municipal taxes.

(b) School taxes.

I think we have a more interesting view of the taxation question when we realize that national taxes are separate and distinct from our State or other local taxes and that the national taxes are levied alone by our national law.